2.27. Government expenditures by function of social protection as percentage of GDP, 2019

	Sickness and disability	Old age	Survivors	Family and children	Unemployment	Housing	Social exclusion n.e.c.	R&D Social protection	Social protection n.e.c.
Australia	2.19	3.95	0.00	2.21	0.55	0.22	0.24	0.00	0.41
Austria	1.77	12.56	1.34	2.02	1.17	0.09	0.98	0.01	0.18
Belgium	3.46	9.42	1.60	2.18	1.31	0.21	1.03	0.00	0.15
Colombia	0.01	6.42	..	0.80	..	0.19	0.98	..	0.27
Czech Republic	2.23	7.39	0.51	1.60	0.14	0.15	0.35	0.00	0.20
Denmark	4.35	8.24	0.01	4.21	1.91	0.65	1.56	0.01	0.49
Estonia	2.09	6.71	0.06	2.70	1.28	0.02	0.16	0.01	0.16
Finland	3.14	13.71	0.64	3.02	1.68	0.62	0.91	0.02	0.31
France	2.89	13.12	1.46	2.26	1.86	0.84	1.26	0.00	0.17
Germany	3.25	9.65	1.90	1.71	1.55	0.34	0.62	0.00	0.71
Greece	1.61	13.84	2.04	0.89	0.60	0.20	0.56	0.01	0.02
Hungary	2.18	6.36	0.81	2.06	0.25	0.08	0.79	0.01	0.18
Iceland	3.40	3.23	0.01	2.15	0.83	0.36	0.49	0.00	0.41
Ireland	1.66	2.99	0.57	1.29	0.82	1.15	0.27	0.00	0.16
Israel	2.85	5.13	0.56	1.31	0.31	0.18	0.47	0.00	0.35
Italy	1.79	13.54	2.59	0.95	1.12	0.03	1.04	0.01	0.06
Japan	0.88	10.99	1.45	1.89	0.27	0.00	0.29	0.00	0.36
Latvia	2.38	7.02	0.18	1.22	0.50	0.07	0.39	0.00	0.31
Lithuania	2.75	6.24	0.29	1.70	0.67	0.07	0.36	0.00	0.20
Luxembourg	3.00	9.50	0.00	3.54	1.01	0.08	0.74	0.00	0.16
Netherlands	4.13	6.46	0.06	1.43	1.34	0.44	1.58	0.01	0.00
Norway	6.92	7.38	0.18	3.42	0.31	0.13	0.87	0.05	0.43
Poland	2.03	9.53	1.64	2.84	0.26	0.03	0.30	0.00	0.10
Portugal	1.28	11.32	1.70	1.11	0.62	0.17	0.39	0.00	0.29
Slovak Republic	3.18	7.67	0.77	1.09	0.23	0.00	0.23	0.00	1.19
Slovenia	2.02	9.85	1.23	1.84	0.42	0.03	0.92	0.00	0.18
Spain	2.51	9.53	2.27	0.94	1.62	0.02	0.36	0.00	0.13
Sweden	3.59	10.41	0.21	2.47	1.07	0.27	0.99	0.00	0.01
Switzerland	2.88	6.51	0.29	0.58	1.01	0.02	1.56	0.01	0.01
United Kingdom	2.35	8.21	0.05	1.20	0.06	0.86	1.74	0.00	0.29
OECD-EU	2.72	10.49	1.60	1.76	1.30	0.33	0.82	0.00	0.28
Costa Rica	0.62	4.75	0.41	0.25	0.00	0.32	0.01	0.00	1.93
Romania	1.05	8.75	0.11	1.37	0.05	0.00	0.08	0.00	0.44

Source: *OECD National Accounts Statistics* (database); *Eurostat Government Finance Statistics* (database).

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2.28. Government expenditures by function of health as percentage of GDP, 2019

	Medical products, appliances and equipment	Outpatient services	Hospital services	Public health services	R&D Health	Health n.e.c.
Australia	0.77	0.67	2.65	0.32	0.22	2.70
Austria	1.12	1.54	4.66	0.18	0.46	0.31
Belgium	0.78	2.90	3.54	0.13	0.04	0.19
Colombia	4.68	..	..	0.20	0.04	0.18
Czech Republic	0.87	1.59	3.56	1.30	0.07	0.22
Denmark	0.54	1.21	5.70	0.13	0.21	0.45
Estonia	0.71	0.58	3.72	0.04	0.21	0.07
Finland	0.66	3.17	3.12	0.03	0.10	0.04
France	1.42	2.91	3.38	0.12	0.09	0.12
Germany	1.67	2.24	2.80	0.07	0.08	0.50
Greece	1.26	0.57	3.32	0.02	0.12	0.04
Hungary	0.80	1.26	1.96	0.15	0.03	0.34
Iceland	0.52	1.78	5.22	0.02	0.00	0.24
Ireland	0.68	1.79	1.78	0.12	0.01	0.35
Israel	0.71	1.47	3.03	0.11	0.00	0.10
Italy	0.99	2.47	2.84	0.30	0.09	0.12
Japan	1.27	2.97	2.80	0.46	0.01	0.17
Latvia	0.62	1.07	2.37	0.06	0.00	0.12
Lithuania	0.86	1.59	2.26	0.08	0.00	1.42
Luxembourg	1.69	1.06	2.02	0.04	0.17	0.07
Netherlands	0.75	2.54	3.57	0.24	0.36	0.25
Norway	0.50	1.99	5.17	0.29	0.41	0.32
Poland	0.07	1.45	3.11	0.07	0.09	0.11
Portugal	0.55	2.04	3.51	0.02	0.24	0.19
Slovak Republic	1.47	2.06	3.74	0.05	0.03	0.36
Slovenia	0.92	1.98	3.04	0.34	0.08	0.29
Spain	0.96	2.25	2.50	0.09	0.26	0.03
Sweden	0.74	3.16	2.50	0.22	0.19	0.18
Switzerland	0.00	0.19	1.67	0.10	0.10	0.05
United Kingdom	0.46	0.97	5.63	0.20	0.14	0.29
OECD-EU	1.11	2.28	3.06	0.16	0.13	0.24
Costa Rica	0.26	2.25	2.89	0.12	0.12	0.26
Romania	1.02	0.12	2.87	0.08	0.01	0.90

Source: *OECD National Accounts Statistics* (database); *Eurostat Government Finance Statistics* (database).

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Structure of government expenditures by economic transaction

Public expenditure can be classified by the economic nature of the transaction, for example payments of civil servants' wages (employee compensation), financing subsidies, cash transfers such as pensions or unemployment benefits (social benefits), or the procurement of goods or services from the private sector that are used as inputs in the government production (intermediate consumption). This classification is ancillary to government expenditures by function, as it distinguishes broader categories of the government's production function and its relationship with the economy.

According to this classification, in 2019, on average, social benefits represented 40.6% of all government expenditures among OECD countries. The highest levels are observed in Japan (55.1%), Germany (54.3%) and the Netherlands (49.7%) while the lowest were in Mexico (10.8%), Iceland (16.8%) and Israel (23%). Between 2007 and 2019 these transactions increased by 3.3 p.p. on average, with the greatest increase taking place in Korea (12.1 p.p.).

The second largest spending category is the compensation of employees, which amounted to 21.7% of total spending on average in 2019. Spending on employee compensation is highest in Iceland (32.7%) and Denmark (30.3%) and smallest in Colombia (16%) and Japan (13.9%). Between 2007 and 2019 this category fell by 0.5 p.p. on average. The most significant reductions were observed in Mexico (6.6 p.p), Australia (4.3 p.p) and Portugal (4.2 p.p.) while the largest increases took place in the Slovak Republic (3.8 p.p), the Czech Republic (3.7 p.p.) and Iceland (2.1 p.p.)

Among the 22 OECD-EU countries with available data, the share of spending on social benefits fell from 46.1% of total expenditure in 2019 to 45.5% in 2020. Compensation of public employees also fell during this period, from 21.7% to 20.5%. Such reductions, however, should be analysed carefully as other spending categories (i.e. subsidies and capital expenditures) increased significantly and added more to the increase of total spending. For example, subsidies to enterprises have been crucial in enabling economies to cope with the effects of the COVID-19 pandemic, and these have increased from 3.1% of total spending to 5.2%. Likewise, capital expenditures, including capital transfers and investments, increased from 8.5% to 9.2% of total spending (Table 2.29).

Methodology and definitions

Expenditures data are derived from the *OECD National Accounts Statistics* (database), which are based on the *System of National Accounts* (SNA), a set of internationally agreed concepts, definitions, classifications and rules for national accounting. The 2008 SNA framework has been implemented by all OECD countries (see Annex A for details on reporting systems and sources). Expenditures encompass the following economic transactions: intermediate consumption (i.e. goods and services that are consumed in a production process within the economic territory and during the accounting period); compensation of employees; subsidies; property income (mainly including interest spending); social benefits (consisting of social benefits other than social transfers in kind and of social transfers in kind provided to households via market producers); other current expenditures (mainly current transfers but also other minor expenditures as other taxes on production, current taxes on income and wealth etc. and the adjustment for the change in pension entitlements) and capital expenditures (i.e. capital transfers and investments). All these transactions at the level of general government are recorded on a consolidated basis (i.e. transactions between levels of government are netted out).

Further reading

OECD (2021), *OECD Economic Outlook, Interim Report March 2021*, OECD Publishing, Paris, *https://doi.org/10.1787/34bfd999-en*.

OECD (2019), *Budgeting and Public Expenditures in OECD Countries 2019*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264307957-en*.

Figure notes

2.29. Data for Chile are not available. Data for Turkey are not included in the OECD average due to missing time series. Data for Japan, Brazil and Russia are for 2018 rather than 2019.

G.20. (Structure of central government expenditures by economic transaction, 2019 and 2020) is available online in Annex G.

2.29. Structure of general government expenditures by economic transaction, 2019 and 2020 and change 2007 to 2019

% of total expenditures	Intermediate consumption			Compensation of employees			Subsidies			Property income (incl. interest)			Social benefits			Other current expenditures			Capital expenditures		
	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)	2019	2020	Change 2007-19 (p.p.)
Australia	19.6	..	1.2	22.5	..	-4.3	8.9	..	5.0	2.7	..	-1.4	28.6	..	-0.2	6.3	..	-0.8	11.4	..	0.5
Austria	12.9	11.8	0.6	21.7	19.7	0.3	3.0	9.2	0.0	2.9	2.3	-3.5	45.1	43.0	2.9	6.6	6.8	0.9	7.8	7.2	-1.3
Belgium	7.8	7.2	0.1	23.6	22.3	-0.1	7.2	8.5	1.4	3.8	3.3	-4.5	47.2	47.4	3.2	3.8	5.2	0.1	6.6	6.1	-0.2
Canada	17.7	15.0	-0.5	29.9	25.0	0.2	2.8	8.4	0.3	7.0	5.4	-3.0	29.3	34.2	3.0	3.2	3.1	-0.1	10.1	8.9	0.1
Colombia	12.2	..	-3.0	16.0	..	0.3	0.2	..	-0.1	5.7	..	-3.7	27.8	..	0.1	28.9	..	5.1	9.3	..	1.3
Czech Republic	14.3	12.9	-2.8	24.2	23.6	3.7	5.4	6.4	1.8	1.7	1.6	-0.9	37.2	37.9	0.7	4.8	4.8	0.5	12.4	12.8	-3.0
Denmark	17.2	16.6	1.1	30.3	28.5	-0.6	3.3	5.5	-0.5	1.5	0.9	-1.8	34.5	33.3	1.5	6.3	6.4	-0.4	6.8	8.7	0.7
Estonia	16.6	14.4	-0.3	29.5	28.0	1.7	1.2	3.5	-1.3	0.1	0.1	-0.4	34.5	34.5	6.0	4.5	5.0	-0.2	13.6	14.5	-5.5
Finland	20.1	20.0	1.4	23.4	22.5	-3.5	2.0	3.1	-0.6	1.5	1.2	-1.5	39.7	39.8	4.2	4.6	5.1	-0.5	8.5	8.3	0.5
France	8.9	8.7	0.0	22.0	21.4	-1.5	5.0	5.5	2.3	2.6	2.1	-2.5	45.7	46.8	2.0	7.1	7.3	0.6	8.6	8.3	-0.9
Germany	11.7	11.9	2.3	17.4	16.6	0.3	2.0	4.1	-0.3	1.8	1.3	-4.4	54.3	53.1	0.6	4.8	4.9	0.8	8.1	8.0	0.8
Greece	9.8	8.6	-4.5	25.0	22.1	1.4	2.1	5.9	1.9	6.3	4.9	-3.3	45.1	39.2	8.5	3.3	3.1	-0.5	8.5	16.1	-3.6
Hungary	18.0	16.1	5.3	22.4	20.5	-0.4	3.1	3.3	0.3	4.9	4.6	-3.2	26.6	24.7	-9.2	7.1	7.5	1.6	17.9	23.1	5.5
Iceland	24.9	23.7	0.0	32.7	32.4	2.1	2.7	4.2	-0.7	10.1	8.1	-4.2	16.8	20.0	4.7	3.9	3.9	0.1	9.0	7.8	-2.1
Ireland	14.4	14.1	0.7	26.4	23.9	-1.7	2.0	5.4	-0.6	5.1	3.5	2.3	36.2	37.5	3.4	4.3	4.1	-0.2	11.7	11.5	-3.9
Israel	22.1	..	-1.0	25.4	..	0.6	2.5	..	1.0	5.5	..	-6.3	23.0	..	3.4	11.9	..	0.8	9.7	..	1.4
Italy	11.6	11.0	0.9	19.9	18.3	-2.1	3.2	3.4	0.9	6.9	6.1	-3.2	46.7	47.1	6.1	4.5	4.5	-0.1	7.1	9.5	-2.4
Japan	9.4	..	-0.4	13.9	..	-3.1	1.4	..	-0.1	4.2	..	-1.3	55.1	..	5.2	3.8	..	0.4	12.2	..	-0.8
Korea	11.1	..	-1.8	20.4	..	-2.7	2.0	..	0.4	3.3	..	-3.2	32.5	..	12.1	11.2	..	0.2	19.5	..	-5.1
Latvia	16.6	14.5	0.2	28.3	27.1	-1.1	2.5	2.9	-0.1	1.8	1.5	0.7	31.6	31.4	9.3	6.4	7.5	-2.8	12.9	15.1	-6.3
Lithuania	12.7	10.5	-1.8	29.4	26.4	1.7	1.1	6.2	-1.4	2.5	1.6	0.6	40.2	39.1	8.3	4.7	4.8	0.9	9.5	11.4	-8.3
Luxembourg	9.9	9.4	0.4	23.5	22.6	-0.4	2.5	2.5	-0.3	0.8	0.5	0.0	42.9	43.8	0.3	8.4	7.7	1.0	12.0	13.4	-1.1
Mexico	11.8	..	0.7	30.3	..	-6.6	1.5	..	-2.2	10.3	..	0.0	10.8	..	3.3	25.1	..	11.5	10.1	..	-6.8
Netherlands	14.0	12.9	-1.1	19.6	18.4	0.3	2.8	10.3	0.0	1.8	1.5	-2.8	49.7	45.3	5.4	3.9	4.2	-0.9	8.1	7.4	-1.0
New Zealand	15.4	..	-0.5	22.7	..	-1.2	4.0	..	3.2	3.0	..	-0.4	35.5	..	-1.3	5.6	..	-1.1	13.8	..	1.3
Norway	14.8	14.2	0.9	29.7	28.2	0.9	3.6	4.5	-0.1	1.0	0.8	-5.2	32.8	33.1	-0.2	5.9	6.2	0.8	12.2	12.9	2.9
Poland	13.6	12.2	-0.7	24.7	22.4	0.3	1.2	7.9	-0.9	3.3	2.6	-1.8	41.2	38.4	3.9	4.8	4.7	-0.8	11.2	11.8	0.0
Portugal	12.3	11.5	0.1	25.2	24.2	-4.2	0.9	3.7	-0.8	7.0	5.9	0.3	42.6	40.9	6.0	5.2	5.3	0.1	6.9	8.5	-1.5
Slovak Republic	13.1	12.6	-1.1	24.0	23.9	3.8	2.3	2.8	0.0	2.9	2.6	-1.0	43.5	44.3	-1.1	4.7	4.4	0.3	9.5	9.3	-1.0
Slovenia	14.1	12.7	1.1	26.1	24.3	1.9	1.7	7.6	-2.0	3.9	3.1	1.1	40.2	37.9	0.9	4.0	5.3	-0.4	9.9	9.0	-2.6
Spain	12.2	11.3	-0.6	25.7	24.0	0.3	2.4	3.7	-0.4	5.4	4.3	1.4	43.9	44.6	8.6	3.7	3.5	-0.5	6.7	8.7	-8.6
Sweden	16.0	15.4	0.0	25.6	24.7	0.6	3.3	5.3	0.4	1.2	0.9	-2.5	32.2	31.6	-0.5	11.3	11.7	0.1	10.4	10.3	1.9
Switzerland	14.4	..	1.2	22.2	..	0.1	9.4	..	0.1	0.9	..	-2.7	33.4	..	-0.3	7.4	..	1.1	12.3	..	0.4
Turkey	13.8	..	..	24.5	..	..	4.8	..	..	7.2	..	..	35.0	..	..	3.1	..	..	11.6	..	..
United Kingdom	19.6	20.2	-0.3	22.3	19.9	-2.5	2.5	11.0	1.0	5.2	3.7	0.0	36.3	32.6	1.9	4.5	4.0	-1.6	9.6	8.6	1.5
United States	16.5	..	-1.6	24.4	..	-2.2	0.9	..	-0.1	10.6	..	-0.3	37.9	..	6.3	0.6	..	0.0	9.0	..	-2.1
OECD	14.1	..	-0.5	22.5	..	-1.5	2.3	..	0.3	6.3	..	-1.6	40.6	..	3.9	4.7	..	0.7	9.6	..	-1.4
OECD-EU	11.9	11.4	0.5	21.7	20.5	-0.5	3.1	5.2	0.6	3.4	2.8	-2.7	46.1	45.5	3.3	5.3	5.4	0.2	8.5	9.2	-1.4
Brazil	8.0	..	..	20.3	..	..	0.6	..	..	12.8	..	..	39.5	..	..	15.7	..	..	3.1	..	..
Costa Rica	8.2	..	0.0	30.7	..	-3.3	0.0	..	0.0	9.5	..	-0.4	11.4	..	2.9	29.3	..	1.3	10.9	..	-0.6
Indonesia	16.6	..	..	22.4	..	..	5.2	..	..	7.6	..	..	1.2	..	..	23.1	..	..	24.0	..	..
Romania	15.4	14.0	-1.6	31.1	28.6	5.8	1.0	2.3	-3.0	3.2	3.4	1.4	32.7	31.8	6.5	4.2	5.2	-0.8	12.3	14.6	-8.3
Russia	16.7	..	..	27.1	..	..	1.5	..	..	2.3	..	..	29.4	..	..	8.9	..	..	14.2	..	..

Source: *OECD National Accounts Statistics* (database). Data for Australia are based on a combination of *National Accounts* and *Government Finance Statistics* data provided by the Australian Bureau of Statistics.

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Revenue and expenditure structure by level of government

Depending on their administrative structure, central, state and local governments have greater or less autonomy over revenue collection. In 2019, central governments in OECD countries collected on average slightly more than half (53.3%) of general government revenues, state governments collected 21.1%, social security funds 16.2% and local governments 9.1% (Figure 2.30).

Between 2007 and 2019, the composition of revenues in OECD countries changed moderately: on average, central governments' share of revenue increased by 0.2 p.p. and state governments' by 1.7 p.p. The share fell for local governments (1.4 p.p.) and social security funds (0.5 p.p.) (Online Figure G.21). Between 2019 and 2020, among OECD-EU countries, central governments' share increased by 0.9 p.p., local governments' by 0.1 p.p., while state governments' share fell 0.2 p.p. and social security funds' share by 0.8 p.p. These changes need to be understood in context: government revenues overall fell in 2020 due to the COVID-19 pandemic.

Different levels of government are responsible for different functions. For example, central government is usually responsible for foreign affairs and defence, while local governments often provide education and health services. However, different administrative systems allocate spending responsibilities differently and grant more or less autonomy over how resources are used. There are also several government functions that require coordination across governmental levels and that are amenable to different funding arrangements. In 2019, on average, central government carried out 41.3% of public expenditure in OECD countries, state and local governments 38.8%, and social security funds 19.9% (Figure 2.31).

Between 2007 and 2019, the balance has tilted towards social security, albeit with wide variations across countries: on average, the share of social security fund expenditure increased by 1.2 p.p. and central government increased by 0.3 p.p., while sub-central government fell by 1.5 p.p (Online Figure G.22). Between 2019 and 2020, in OECD-EU countries, central government spending increased most (1.2 p.p.) with a slight increase for state governments (0.1 p.p.). These levels have been responsible for most of the financial aid aimed at alleviating the economic effects of the pandemic.

Methodology and definitions

Revenues and expenditures data are derived from the *OECD National Accounts Statistics* (database), which are based on the *System of National Accounts* (SNA), a set of internationally agreed standards for national accounting. The 2008 SNA framework has been implemented by all OECD countries (see Annex A for details). In SNA terminology, general government consists of central, state and local governments, and social security funds. State government only applies to the nine OECD countries that are federal states: Australia, Austria, Belgium, Canada, Germany, Mexico, Spain (deemed a quasi-federal country), Switzerland and the United States. Data exclude transfers between levels of government except in Australia, Korea, Turkey, Costa Rica and Indonesia. This is in order to see the contribution of each sub-sector to general government total revenues and expenditures, which are consolidated at this level.

Revenues include taxes (e.g. on consumption, income, wealth), net social contributions (e.g. contributions to pensions, health and social security), sales of goods and services (e.g. market output of government establishments) and grants and other sources (e.g. current and capital grants, property income, and subsidies). The aggregates were constructed using sub-account items (see Annex B). Expenditures include intermediate consumption, compensation of employees, subsidies, property income (mainly interest spending), social benefits, other current expenditures (mainly current transfers) and capital expenditures (i.e. capital transfers and investments).

Further reading

Kim, J. and S. Dougherty (eds.) (2020), *Ageing and Fiscal Challenges across Levels of Government*, OECD Fiscal Federalism Studies, OECD Publishing, Paris, *https://doi.org/10.1787/2bbfbda8-en*.

Vammalle, C. and I. Bambalaite (2021), "Funding and financing of local government public investment: A framework and application to five OECD Countries", *OECD Working Papers on Fiscal Federalism*, No. 34, OECD Publishing, Paris, *https://doi.org/10.1787/162d8285-en*.

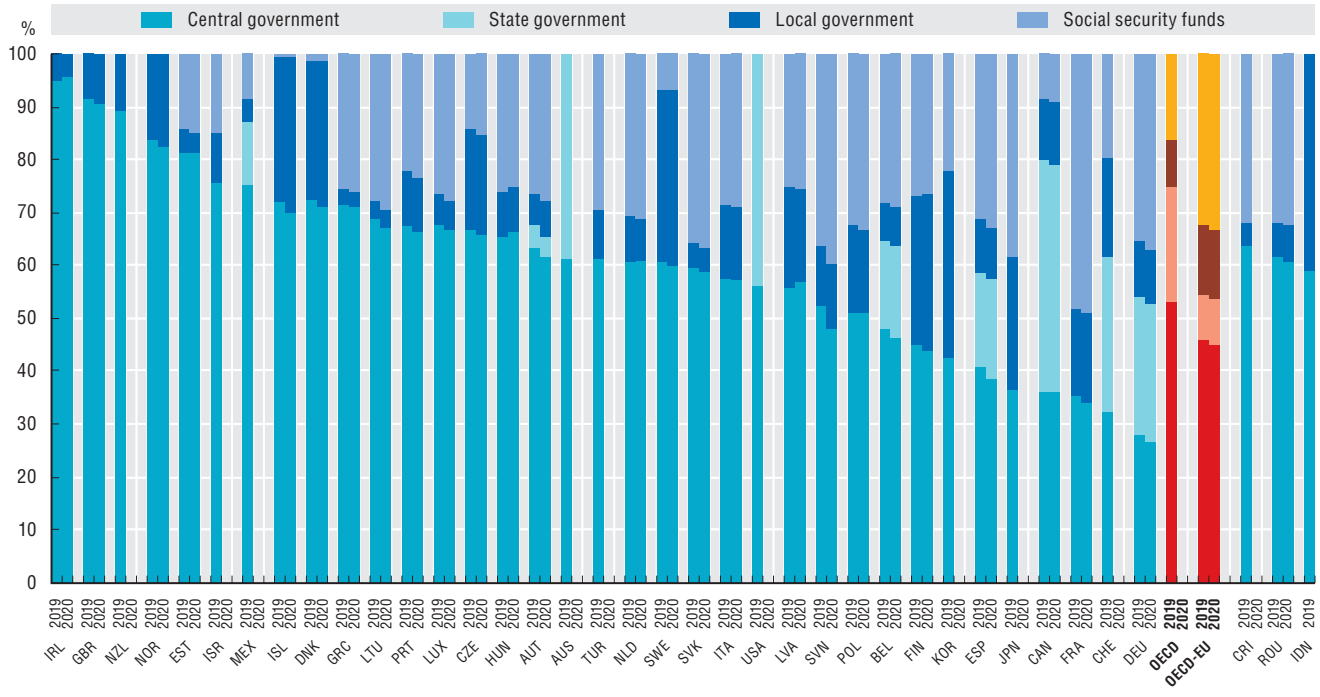
OECD (2020), *Pilot Database on Regional Government Finance and Investment: Key Findings*, OECD Publishing, Paris, *www.oecd.org/cfe/regionaldevelopment/REGOFI_Report.pdf*.

Figure notes

Data for Chile and Colombia are not available. Data for Turkey are not included in the OECD average due to missing time series. Flows between levels of government are excluded (apart from Australia, Korea, Turkey, Costa Rica and Indonesia). For Japan data for sub-sectors of general government refer to fiscal years and are for 2018 rather than 2019. Local government is included in state government for Australia and the United States. Australia does not operate government social insurance schemes. Social security funds are included in central government in Ireland, New Zealand, Norway, the United Kingdom and the United States.

G.21 and G.22. (Changes in the distribution of revenues and expenditures by levels of government, 2007 to 2019) are available online in Annex G.

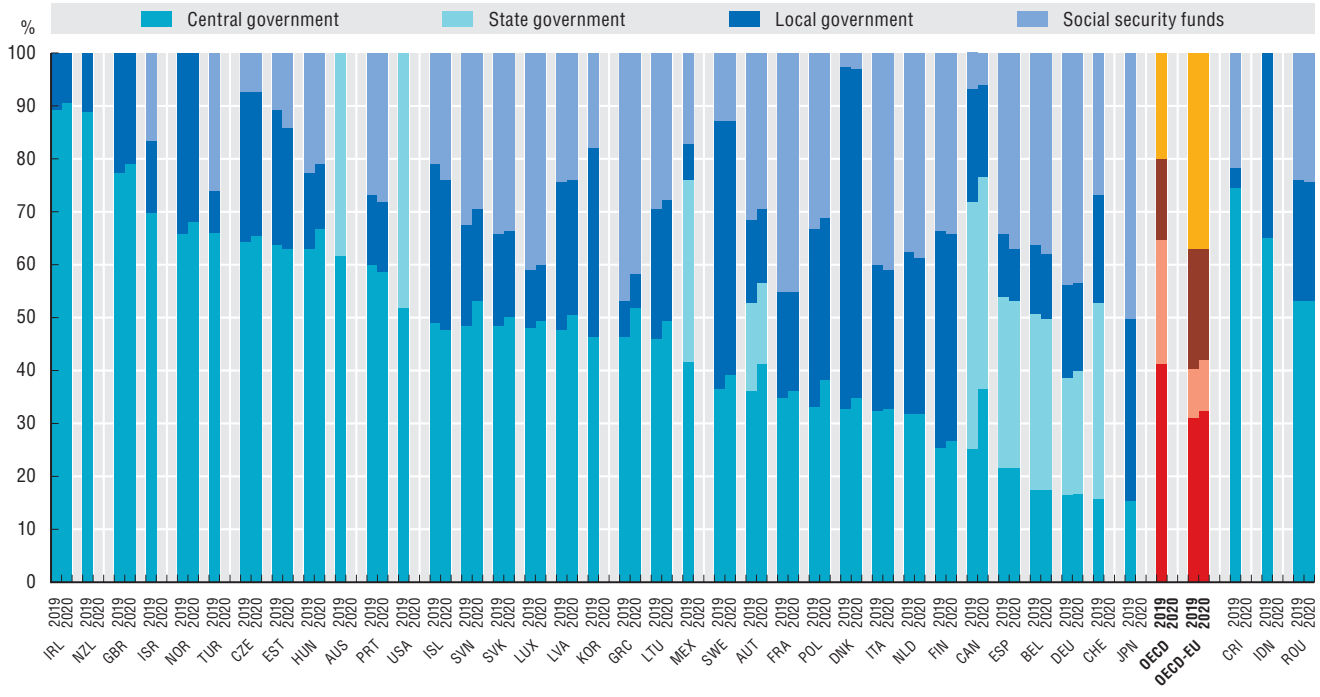
2.30. Distribution of general government revenues across levels of government, 2019 and 2020



Source: *OECD National Accounts Statistics* (database).

StatLink https://doi.org/10.1787/888934257185

2.31. Distribution of general government expenditures across levels of government, 2019 and 2020



Source: *OECD National Accounts Statistics* (database).

StatLink https://doi.org/10.1787/888934257204

Government investment spending

Public investment can enhance productivity and promote economic growth as well as foster societal wellbeing. Many types of government expenditure constitute investment: purchases of transport and energy infrastructure, school and hospital buildings, IT systems, defence systems, and intangible assets. Government investment often includes purchases needed to implement long-term policies, such as investment in green energy infrastructure to support action on climate change.

Government investment spending averaged 3.3% of GDP across OECD countries in 2019, ranging from 1.3% of GDP in Mexico to 6.3% of GDP in Hungary. Five out of the ten governments spending the largest proportion of GDP on investment were Eastern European countries, partly as a result of EU structural funds. Hungary's high levels of government investment in 2019 were driven by both EU structural funds and by nationally funded investment projects in transport and telecommunications. In 2020, government investment relative to GDP increased in 25 of the 26 OECD countries for which data are available (Figure 2.32). This may reflect investment in response to COVID-19, or it may be the result of GDP falling more quickly than investment in 2020.

Government investment as a share of government expenditures has been falling, and this trend appears to have accelerated in 2020. On average across OECD countries, government investment fell from 9.3% of government expenditure in 2007 to 8.1% in 2019. Over that period, investment's share of government expenditures shrank in 21 of 36 OECD countries. In 2020, in the 26 countries with data available, government investment as a share of government expenditure fell in 19 of them (Figure 2.33). However, this should not necessarily be interpreted as meaning governments are actively cutting public investment. Rather, it reflects the very rapid growth in current government expenditures in 2020, on income support schemes and other COVID-19 responses.

The proportion of investment expenditure which was managed by central government increased between 2019 and 2020 in 20 of 27 OECD countries for which data are available. The distribution of investment expenditure across levels of government varies widely, and is different for federal and non-federal countries. In 2019, on average across OECD countries, 40% of government investment was carried out by national governments, and roughly 30% each by state and local governments. However, only 9 out of 37 OECD members have state governments which spent on investment. In 20 of 35 OECD countries, central government accounted for more than 50% of government investment. In general, government investment in more centralised countries (e.g. Turkey, Hungary, the United Kingdom) is primarily managed by national government, in countries with more decentralised structures (e.g. Canada, Belgium, Mexico and Spain) it is primarily managed by state and local governments (Figure 2.34).

Methodology and definitions

Data are from the *OECD National Accounts Statistics* (database) based on the *System of National Accounts* (SNA), a set of internationally agreed concepts, definitions, classifications and rules for national accounting. The 2008 SNA framework has been implemented by all OECD countries (see Annex A for details). General government investment includes gross capital formation and acquisitions, less disposals of non-produced nonfinancial assets. Gross fixed capital formation (also called fixed investment) is the main component of investment. For government, it mainly consists of transport infrastructure but also includes infrastructure such as office buildings, housing, schools and hospitals. In the SNA 2008 framework, expenditures in research and development have also been included in fixed investment. Government investments together with capital transfers constitute the category of government capital expenditures. Government consists of central, state and local governments and social security funds. State government is only applicable to the nine OECD countries that are federal states: Australia, Austria, Belgium, Canada, Germany, Mexico, Spain (considered a quasi-federal country), Switzerland and the United States.

Further reading

Fournier, J. (2016), "The positive effect of public investment on potential growth", *OECD Economics Department Working Papers*, No. 1347, OECD Publishing, Paris, *https://doi.org/10.1787/15e400d4-en*.

OECD (2019), *OECD Economic Surveys: Hungary 2019*, OECD Publishing, Paris, *https://doi.org/10.1787/eco_surveys-hun-2019-en*.

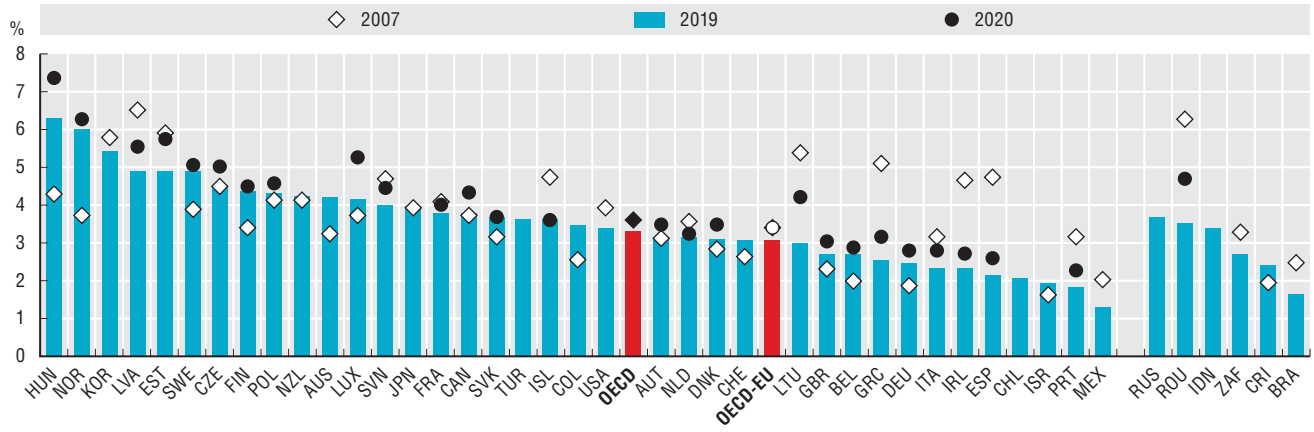
Figure notes

2.32 and 2.33. Data for Chile and Turkey are not included in the OECD average because of missing time series. Data for Japan, Brazil and Russia are for 2018 rather than 2019.

2.34. Data for Chile and Colombia are not available. Data for Turkey are not included in the OECD average due to missing time series. Local government is included in state government for Australia and the United States. Australia does not operate government social insurance schemes. Social security funds are included in central government in Ireland, New Zealand, Norway, the United Kingdom and the United States. Data for Japan are for 2018 rather than 2019.

G.23. (Government investment as a share of total investment) and G.24. (Structure of general government investment by function) are available online in Annex G.

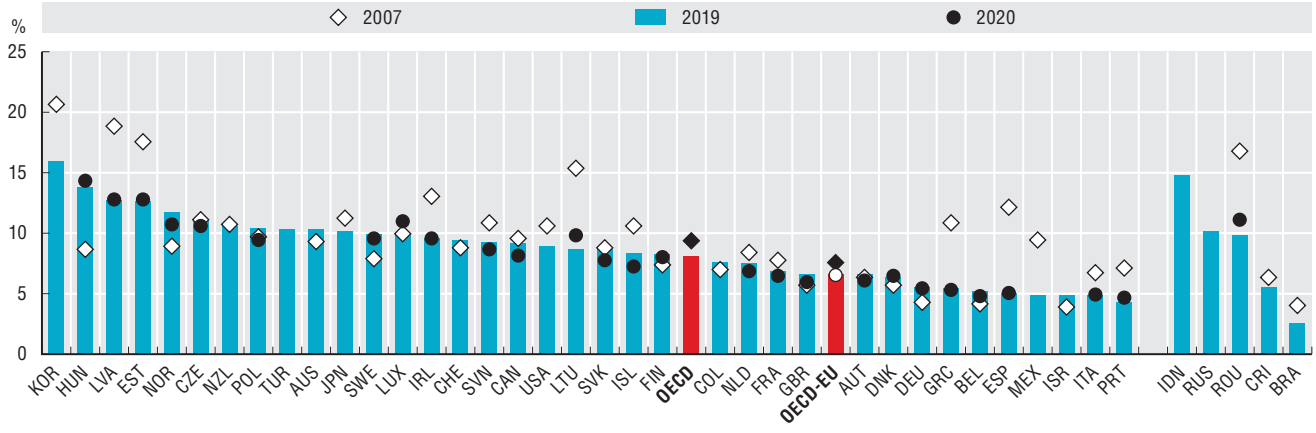
2.32. Government investment as a percentage of GDP, 2007, 2019 and 2020



Source: OECD National Accounts Statistics (database).

StatLink https://doi.org/10.1787/888934257223

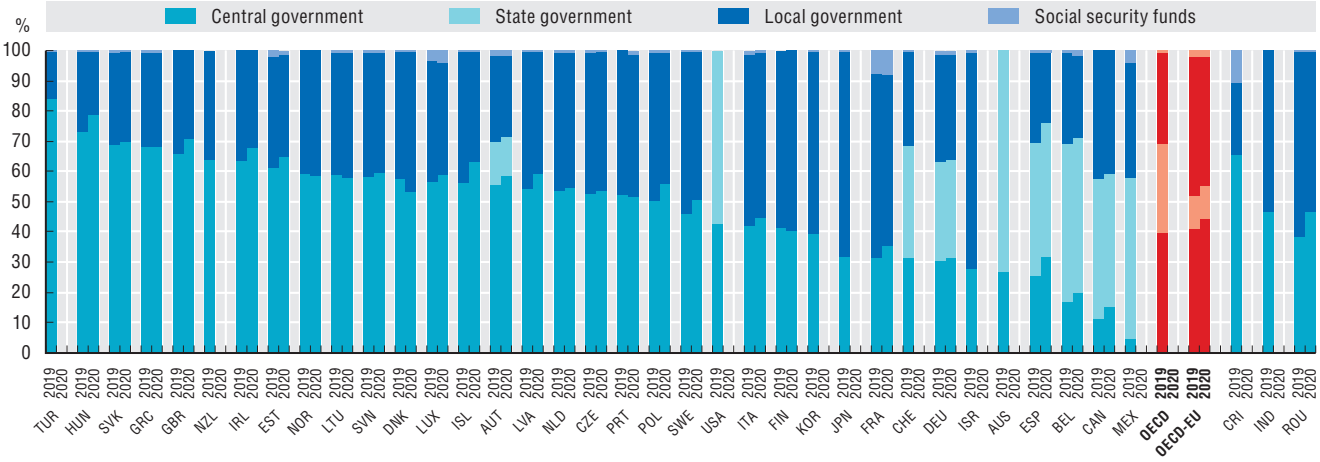
2.33. Government investment as a share of total government expenditures, 2007, 2019 and 2020



Source: OECD National Accounts Statistics (database).

StatLink https://doi.org/10.1787/888934257242

2.34. Distribution of investment spending across levels of government, 2019 and 2020



Source: OECD National Accounts Statistics (database).

StatLink https://doi.org/10.1787/888934257261

Production costs and outsourcing of general government

The production costs of government are public expenditures on the goods and services which government uses, primarily wages and purchases of goods and services. Government spending that does not involve a purchase – for example, social welfare, unemployment benefits and other transfers – is not a production cost. Outsourcing is the portion of government production costs which is used to buy goods and service from entities outside of government, i.e. government purchases from private companies and other agencies.

Government production costs averaged 20.6% of GDP across OECD members in 2019. Sweden (29.7%), Finland (29.6%) and Norway (28.8%), all Scandinavian countries, have the highest production costs in terms of GDP, reflecting both the widespread provision of publicly funded services and relatively high costs. Mexico spent the least in the OECD (11.8%). Among other factors, this is explained by relatively fewer services, and the wealthiest segments of the population opting for private service providers. Government production costs were largely stable in most countries from 2007 to 2019. However, they rose in all 26 countries for which data are available for 2020, with spending increases on both employee compensation and goods and services. The largest rise was in the United Kingdom (3.9 p.p. of GDP). This was driven primarily by expenditure on goods and services increasing by 2.6 p.p. (Figure 2.35).

The structure of production costs varies across countries. In 25 of 36 OECD countries, employee compensation made up the largest share in 2019, averaging 44.5% of production costs, or 9.2% of GDP. Wage expenditures are not necessarily related to either the average wage levels in a country or the structure of the government. Denmark (54.6%) and the Netherlands (29.8%) spent very different shares of production costs on employee compensation, despite having nearly identical GDP per capita. Ireland (48.4%) and Canada (48.8%) spent almost identical shares, even though Ireland has a highly centralised government and Canada a federal system. Purchases of goods and services used and financed by government are the second largest element of production costs in 25 of 36 OECD members. They averaged 42.7% of production costs, or 8.8% of GDP, in 2019 (Figure 2.36).

On average, governments spent 8.8% of GDP on outsourced expenditure in 2019 (Figure 2.37). Of this, 65% was spent contracting non-government economic actors to provide goods and services used directly by the government (e.g. government IT systems) and 35% on providing goods and services to citizens (Online Figure G.25). These may include health care, housing, transport or education. Outsourcing costs increased notably in 2020. All 26 countries with data available increased expenditure as a percentage of GDP on both categories of outsourcing in 2020 (Figure 2.37).

Methodology and definitions

The concept and methodology of production costs builds on the classification of government expenditures in the *System of National Accounts* (SNA). The 2008 SNA framework has been implemented by all OECD countries (see Annex A for details).

Government production costs include:

Compensation costs of government employees including cash and in-kind remuneration plus all mandatory employer (and imputed) contributions to social insurance and voluntary contributions paid on behalf of employees.

Goods and services used by government, which are the first component of government outsourcing. In SNA terms, this includes intermediate consumption (procurement of intermediate products required for government production).

Goods and services financed by government, which are the second component of government outsourcing. In SNA terms, this includes social transfers in kind via market producers paid for by government.

Other production costs, which include the remaining components of consumption of fixed capital (depreciation of capital) and other taxes on production less other subsidies on production.

The data include government employment and intermediate consumption for output produced by the government for its own use. The production costs presented here are not equal to the value of output in the SNA.

Further reading

OECD (2020), *OECD Economic Surveys: United Kingdom 2020*, OECD Publishing, Paris, *https://doi.org/10.1787/2f684241-en*.

OECD (2019), *OECD Economic Surveys: Sweden 2019*, OECD Publishing, Paris, *https://doi.org/10.1787/c510039b-en*.

Figure notes

Data for Japan, Brazil and Russia are for 2018 rather than 2019.

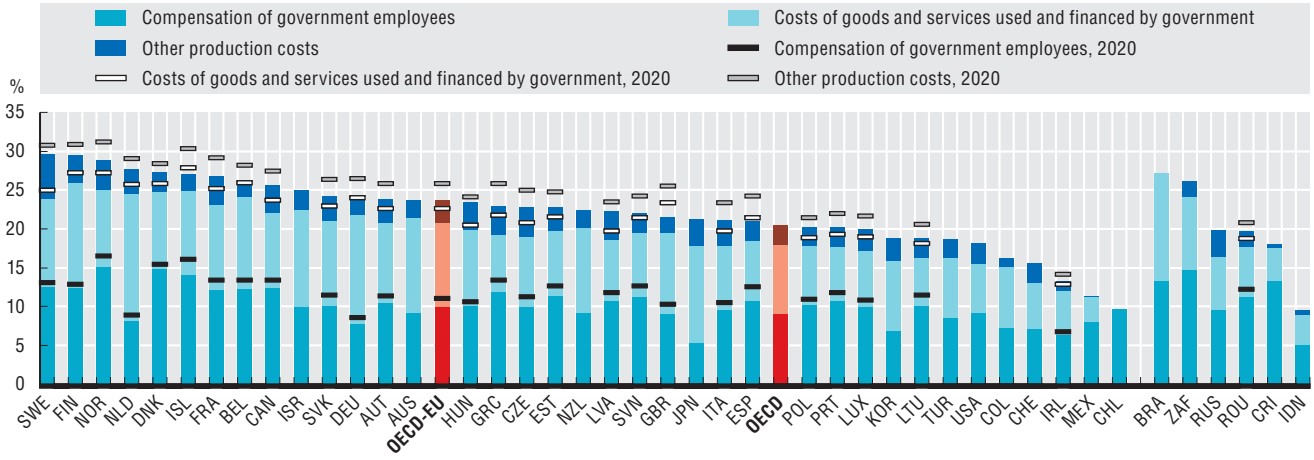
2.35. Data for Chile and Turkey are not included in the OECD average because of missing time series or main non-financial government aggregates.

2.36 and 2.37. Data for Chile are not available. Data for Turkey are not included in the OECD average because of missing time series.

2.37. Iceland, Mexico, the United States, Indonesia and South Africa do not account separately for goods and services financed by general government in their national accounts.

G.25. (Structure of government outsourcing expenditures, 2019) is available online in Annex G.

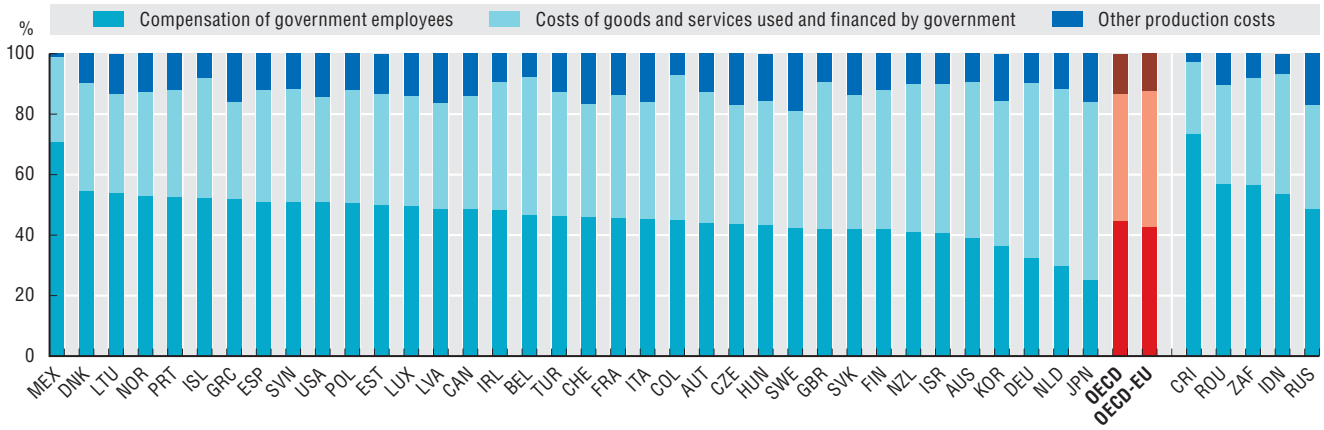
2.35. Production costs as a percentage of GDP, 2019 and 2020



Source: *OECD National Accounts Statistics* (database). Data for Australia are based on a combination of *National Accounts* and *Government Finance Statistics* data provided by the Australian Bureau of Statistics.

StatLink https://doi.org/10.1787/888934257280

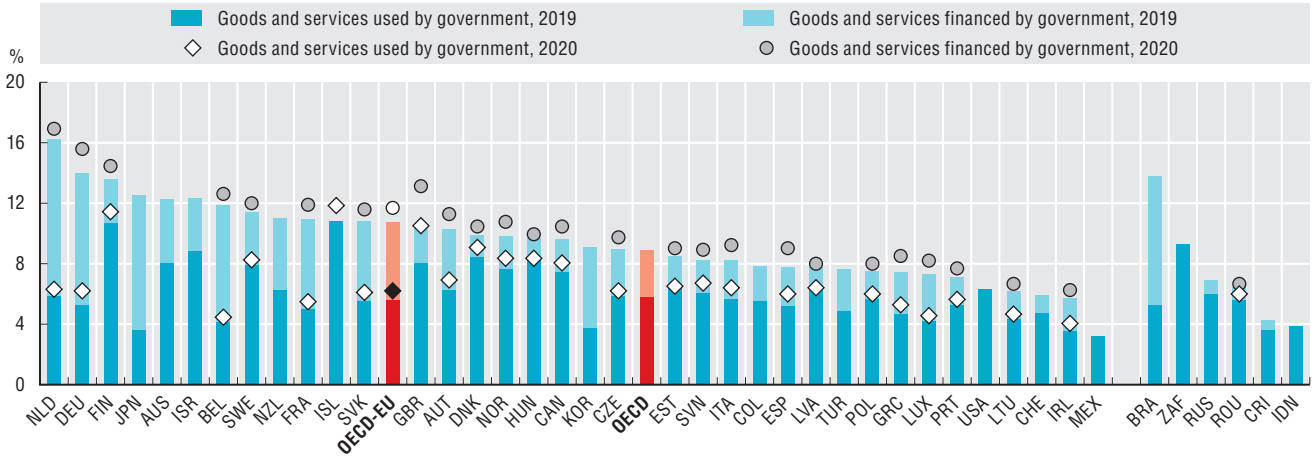
2.36. Structure of production costs, 2019



Source: *OECD National Accounts Statistics* (database). Data for Australia are based on a combination of *National Accounts* and *Government Finance Statistics* data provided by the Australian Bureau of Statistics.

StatLink https://doi.org/10.1787/888934257299

2.37. Expenditures on general government outsourcing as a percentage of GDP, 2019 and 2020



Source: *OECD National Accounts Statistics* (database). Data for Australia are based on a combination of *National Accounts* and *Government Finance Statistics* data provided by the Australian Bureau of Statistics.

StatLink https://doi.org/10.1787/888934257318

3. PUBLIC EMPLOYMENT

Employment in general government

General government employment across levels of government

Age profile of central government workforce

Gender equality in public sector employment

Gender equality in politics

Youth representation in politics

Gender equality in the judiciary

Employment in general government

The COVID-19 pandemic has highlighted the important role played by public employees in delivering essential services, keeping citizens healthy, safe and economically supported. Public employees are also central actors in the recovery that is taking shape, whether they are delivering vaccination strategies or designing and implementing plans for the recovery of economy and society. However, the roles and functions of the public sector relative to other sectors vary across OECD countries, affecting the relative size of public employment. Governments decide which services should be delivered directly through public organisations, or through various forms of partnerships with the private or not-for-profit sectors. For example, in some countries, the large majority of health care providers, teachers and emergency workers are directly employed by the government. In others, these workers are mainly employed by private or non-profit organisations.

The size of general government employment varies significantly among OECD countries. Nordic countries such as Norway, Sweden and Denmark report the highest levels of general government employment, reaching close to 30% of total employment. In contrast, Japan and Korea report the lowest levels among OECD countries, with general government employment making up only 6% of total employment in Japan and 8% in Korea. Despite the 2007-08 financial crisis and the austerity measures that followed, the share of general government employment has remained relatively stable since 2007, falling from 18.2% of total employment in 2007 to 17.9% in 2019. The largest falls have been in the United Kingdom and Israel where the share of general government employment fell by 3 p.p. between 2007 and 2019. However the share increased in Spain (2.1 p.p.), Estonia (2 p.p.), Mexico (1.3 p.p.), Slovenia (1.2 p.p.), Luxembourg (1 p.p.) and Norway (1.1 p.p.) over the same period (Figure 3.1).

Between 2007 and 2019, general government employment grew in 23 OECD countries. On average across OECD countries, total employment growth has been slightly outgrowing that of general government employment, reducing the share of general government employment by 0.3 p.p. over this period. The gap has widened the most in the United Kingdom and Israel. In the United Kingdom this has been due to a decline of general government employment of 0.6% per year on average at the same time as total employment surged by an average of 0.9% per year. In Israel it is the result of booming total employment (growing by 2.6% per year). Only 10 OECD countries have seen general government employment grow faster than total employment, with the greatest differences recorded in Spain (where the difference was 1.24 p.p.), Mexico (0.94 p.p) and Luxembourg (0.88 p.p) (Figure 3.2).

Methodology and definitions

Data are derived from the *OECD National Accounts Statistics (database)*, which are based on the *System of National Accounts (SNA)*, a set of internationally agreed concepts, definitions, classifications and rules for national accounting. General government employment covers employment in all levels of government (central, state, local and social security funds) and includes core ministries, agencies, departments and non-profit institutions that are controlled by public authorities. The data represent the total number of persons directly employed by those institutions. Total employment covers all persons engaged in productive activity that falls within the production boundary of the national accounts. The employed comprise all individuals who, during a specified brief period, were in either paid employment or self-employment.

Further reading

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

OECD (2017), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/9789264280724-en*.

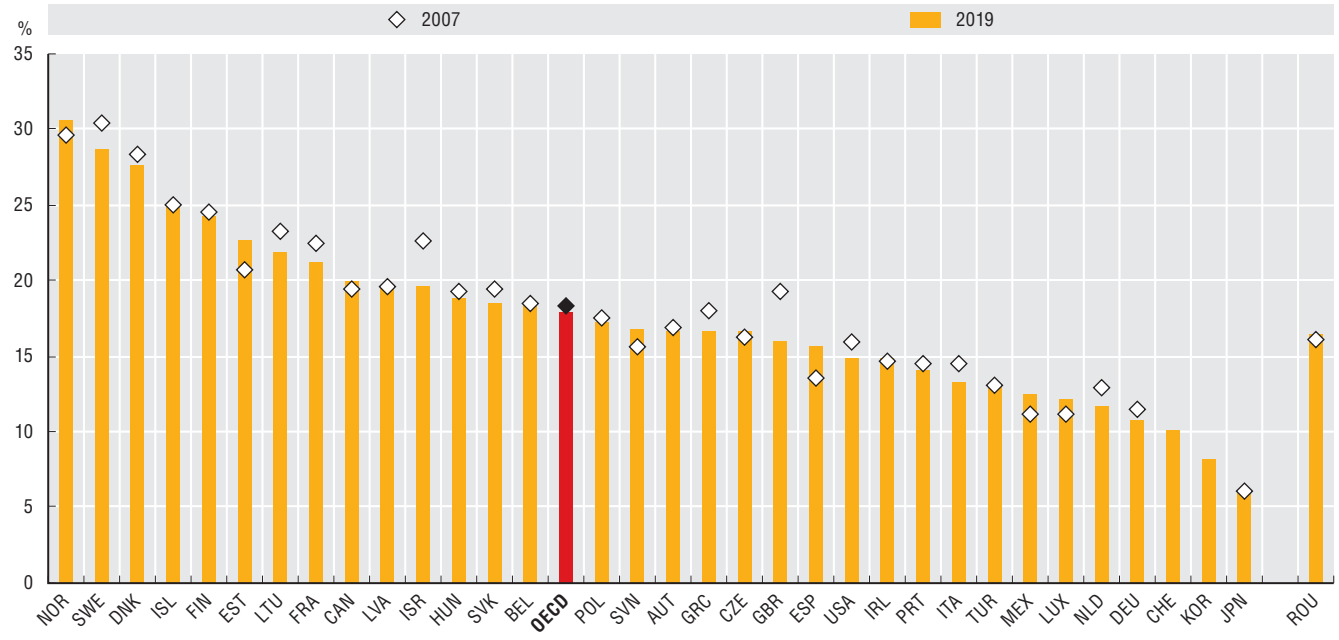
OECD (2016), *Engaging Public Employees for a High-Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/9789264267190-en*.

Figure notes

3.1. Total employment refers to domestic employment. Data for Australia, Chile, Colombia and New Zealand are not available. Data for Korea and Switzerland are not included in the OECD average due to missing time series. Data for Luxembourg, Norway and Switzerland are for 2018 rather than 2019. Data for Japan are for 2017 rather than 2019. Data for Iceland and the United States are for 2008 rather than 2007.

3.2. Data for Australia, Chile, Colombia Korea, New Zealand and Switzerland are not available. Data for Luxembourg, Norway and Switzerland are for 2007-18 rather than 2007-19. Data for Japan are for 2007-17 rather than 2007-19. Data for Iceland and the United States are for 2008-19 rather than 2007-19.

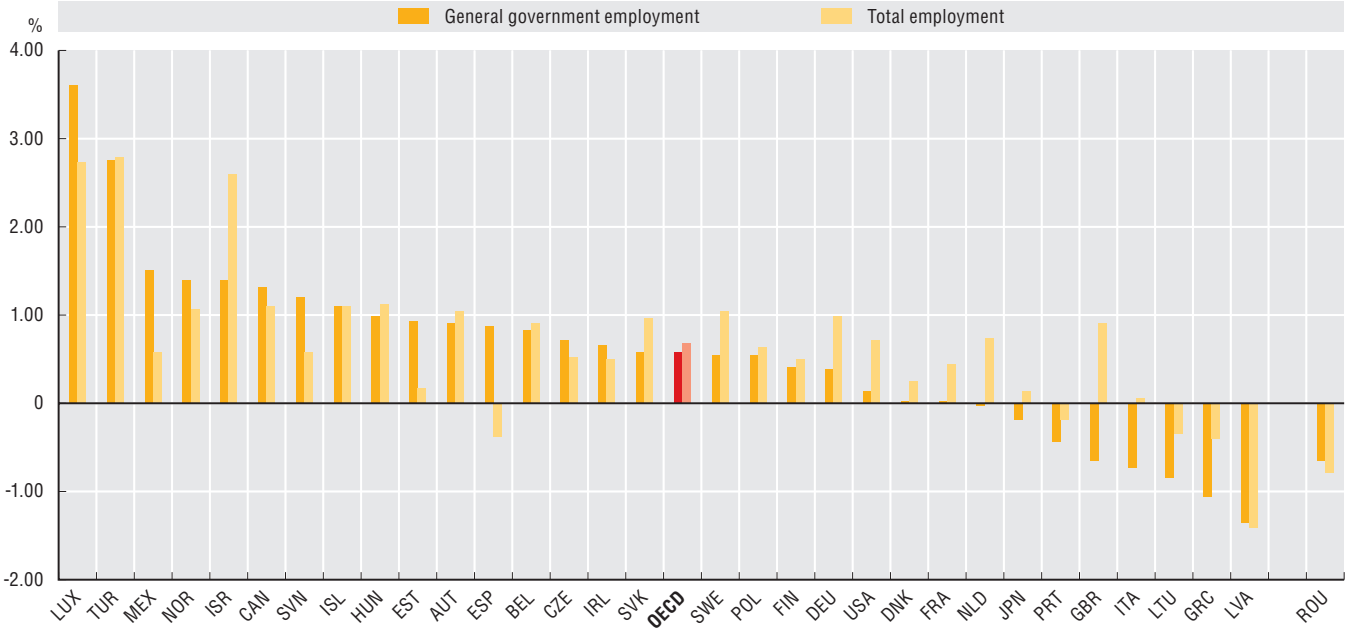
3.1. Employment in general government as a percentage of total employment, 2007 and 2019



Source: *OECD National Accounts Statistics* (database). Data for Iceland, Japan, Korea, Mexico, Switzerland, Turkey and the United States are from the International Labour Organization (ILO), *ILOSTAT* (database), *Public employment by sectors and sub-sectors of national accounts*.

StatLink https://doi.org/10.1787/888934257337

3.2. Annual average growth rate of general government employment and total employment, 2007-19



Source: *OECD National Accounts Statistics* (database). Data for Iceland, Japan, Mexico, Turkey and the United States are from the International Labour Organization (ILO), *ILOSTAT* (database), *Public employment by sectors and sub-sectors of national accounts*.

StatLink https://doi.org/10.1787/888934257356

General government employment across levels of government

The proportion of staff employed at sub-national levels of government is an indicator of the level of decentralisation of public administrations. Larger shares of government employees employed at the sub-national level suggests that local and regional governments have greater responsibility for providing public services. While decentralisation allows for greater responsiveness to local needs and priorities, it can also result in variations in service delivery within countries.

In 2019, general government employees employed at the sub-national level made up more than half of all general government employees in 17 OECD countries for which data were available. Federal states, such as Belgium, Germany, Spain and Switzerland, are among the countries with the largest share of general government employees working at the sub-national level. In contrast, unitary states, such as Ireland, Israel and Turkey, tend to have most general government workers concentrated at the central level. However, unitary but decentralised countries, such as Finland, Norway or Sweden, also prove to have a small share of central government employees (Figure 3.3).

Between 2013 and 2019, 19 OECD countries experienced increases of general government staff employed at the central level. On average across OECD countries with available information, the average annual growth rate in central government employment was almost stable at 0.6% over this period. The highest average annual growth rates were in Turkey (3.3% per year), Luxembourg (2.7%) and the United Kingdom (2.4%). Conversely, the number of general government staff employed at the central level fell the fastest in Estonia (by 3% per year), Spain (1.2%) and Lithuania (0.9%) (Figure 3.4). In the United Kingdom, the growth is specific to central government, as sub-national government employment has fallen since 2013, keeping the overall numbers of general government staff almost stable over this period. There are a variety of reasons for such changes in employment at the central level, for example they could be due to the age composition of the government workforce, capacity building, political decisions or administrative reforms.

Methodology and definitions

Data are from the International Labour Organization (ILO) ILOSTAT (database). The data are based on the *System of National Accounts* (SNA) definitions and cover employment in central and sub-national levels of government. Sub-national government is comprised of state and local government including regions, provinces and municipalities. Together the central and sub-national levels comprise general government. In addition, countries provided information on employment in the social security funds component of general government, which include all central, state and local institutional units whose principal activity is to provide social benefits. As social security funds refer to different levels of government, employment in this category has been recorded separately unless otherwise stated. However, in most countries, with the exceptions of France, Germany and Mexico, social security funds employ few staff and represent a small percentage of the total workforce. Data represent the total number of persons employed directly by each of those different levels of government and social security funds institutions. The following countries in the dataset are federal states: Belgium, Germany, Mexico, Spain (considered a quasi-federal country), Switzerland and the United States.

Further reading

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

OECD (2017), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/9789264280724-en*.

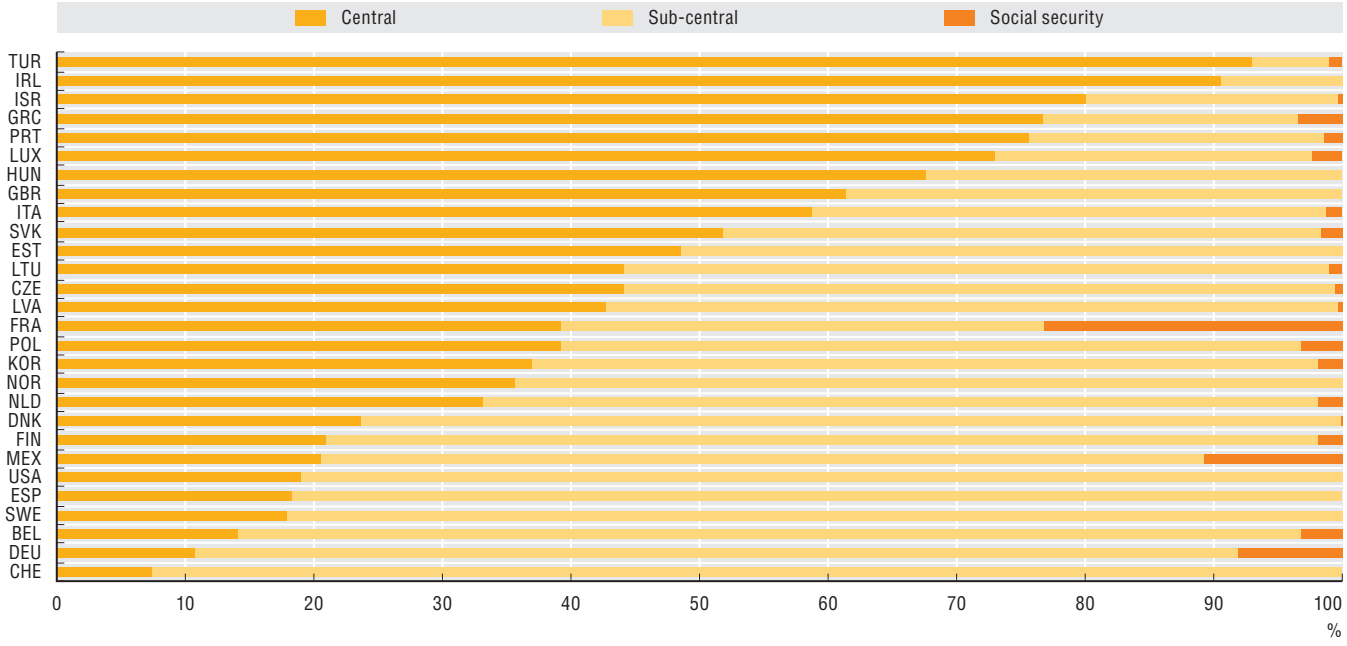
OECD (2016), *Engaging Public Employees for a High-Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/9789264267190-en*.

Figure notes

Data for Australia, Austria, Canada, Chile, Iceland, Japan, New Zealand and Slovenia are not available. Data for Estonia, Greece and Spain are based on the Labour Force Survey. Social security funds are not separately identified (i.e. recorded under central and/or sub-national government) for Estonia, Ireland, Norway, Spain, Switzerland, the United Kingdom and the United States. For Poland other non-profit institutions (NPIs) have been redistributed between central and sub-national levels of government. Data for France, Hungary, Luxembourg, Poland, Portugal and Switzerland are for 2018 rather than 2019. Data for the Czech Republic, Denmark, Estonia, Greece, Latvia and Spain are for 2017 rather than 2019.

3.4. Data for Korea are not available.

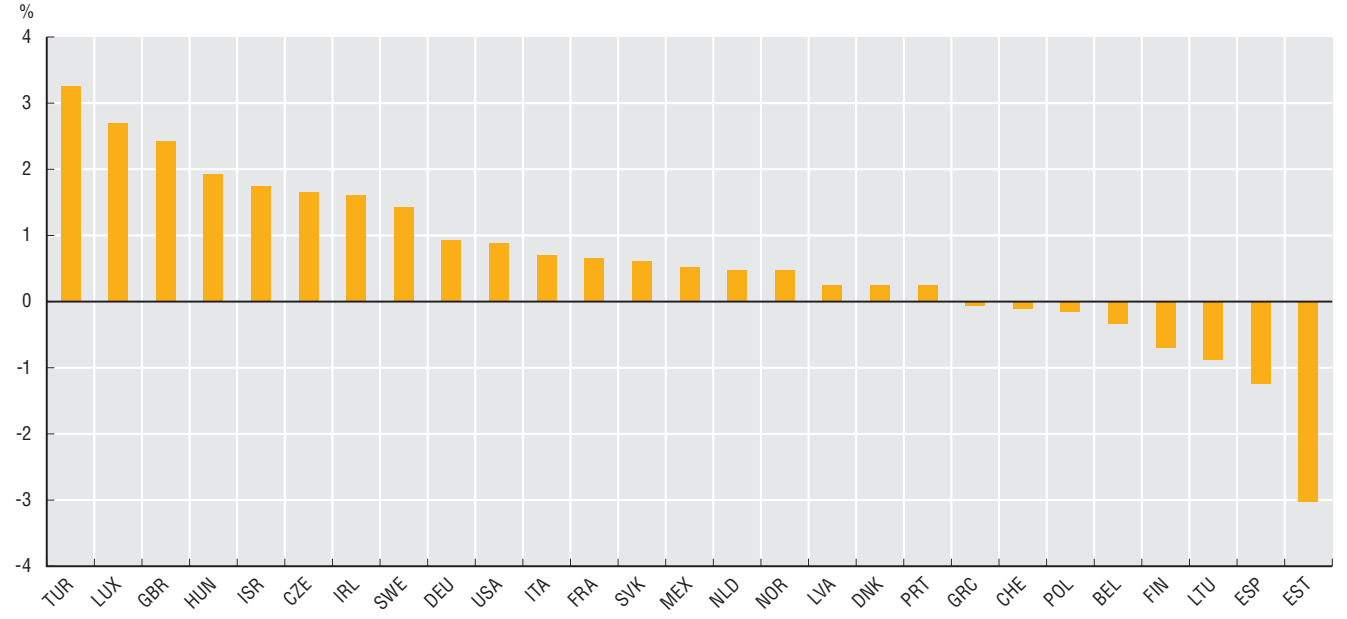
3.3. Distribution of general government employment across levels of government, 2019



Source: International Labour Organization (ILO), *ILOSTAT* (database), *Public employment by sectors and sub-sectors of national accounts.*

StatLink https://doi.org/10.1787/888934257375

3.4. Average annual growth rate of general government staff employed at the central level, 2013-19



Source: International Labour Organization (ILO), *ILOSTAT* (database), *Public employment.*

StatLink https://doi.org/10.1787/888934257394

Age profile of central government workforce

The age profile of the central government workforce can determine current and future workforce management challenges. On the one hand, governments with a predominantly older workforce may be well placed to draw on a wealth of experience, but may face challenges related to workforce renewal and building the next generation of public servants. On the other hand, countries with a predominantly younger central government workforce may be perceived as attractive to younger staff, but they may have to prioritise career development and the retention of more experienced staff. In all cases, a multi-generational public service workforce presents opportunities to combine the experience of long-serving staff with younger employees in development, for example through intergenerational work teams and mentoring programmes. This can help to ensure that the design of policies, programmes and services reflects different perspectives, making them more responsive to citizens' needs across all age cohorts. In this context, central administrations could examine their working arrangements and explore the development of talent management strategies to focus on the characteristics and preferences of individual cohorts of workers.

On average, the share of workers aged 55 and over in OECD central governments increased only slightly between 2015 and 2020, from 25% to 26%. However, this average hides large discrepancies across countries. For example, in Spain, the share of central government workers aged 55 and over increased significantly from 35% to 46%, and in Greece it increased from 27% to 37%. Italy remains the country with the largest share of older workers: 48% of the central government workforce in 2020 were 55 or older. A few OECD countries saw reductions in the share of older workers, such as Israel (from 23% to 19%) and Korea (from 12% to 9%). Not all OECD countries have a predominantly older central government workforce: in Australia, Hungary, Israel, Japan, Korea, Luxembourg and Turkey the share of people aged 55 and over is below 20% (Figure 3.5).

The share of younger workers (18-34 year-olds) also increased by 1 p.p. between 2015 and 2020, to reach 19% of the central government workforce. Over the same period, some countries experienced significant declines in this share of the workforce, including Germany (where the share fell from 30% to 17%), Lithuania (26% to 16%) and Latvia (30% to 21%). In contrast there were large increases in Korea (from 9% to 21%), Denmark (from 19% to 29%) and Israel (from 26% to 33%). This is particularly notable for Israel, which became, along with Turkey and Hungary, one of only three countries where 18-34 year-olds made up over 30% of the central government workforce (Figure 3.6).

Methodology and definitions

Data in central government by positions and gender were collected through the 2020 OECD Survey on the Composition of the Workforce in Central/Federal Governments and refer to the situation on 1 January 2020. Most respondents were senior officials in central government human resource management (HRM) departments, and the data refer to HRM practices in central government. The survey was completed by all OECD countries except Iceland, one OECD accession country (Costa Rica), and key partners Brazil and Romania. Data are missing for Chile. There are considerable variations in the definitions of public service as well as the organisations governed at the central level of government, which should be considered when making comparisons. Comparisons with the data from Government at a Glance 2017 should be made with caution, as the scope and number of country responses vary between the two.

Further reading

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

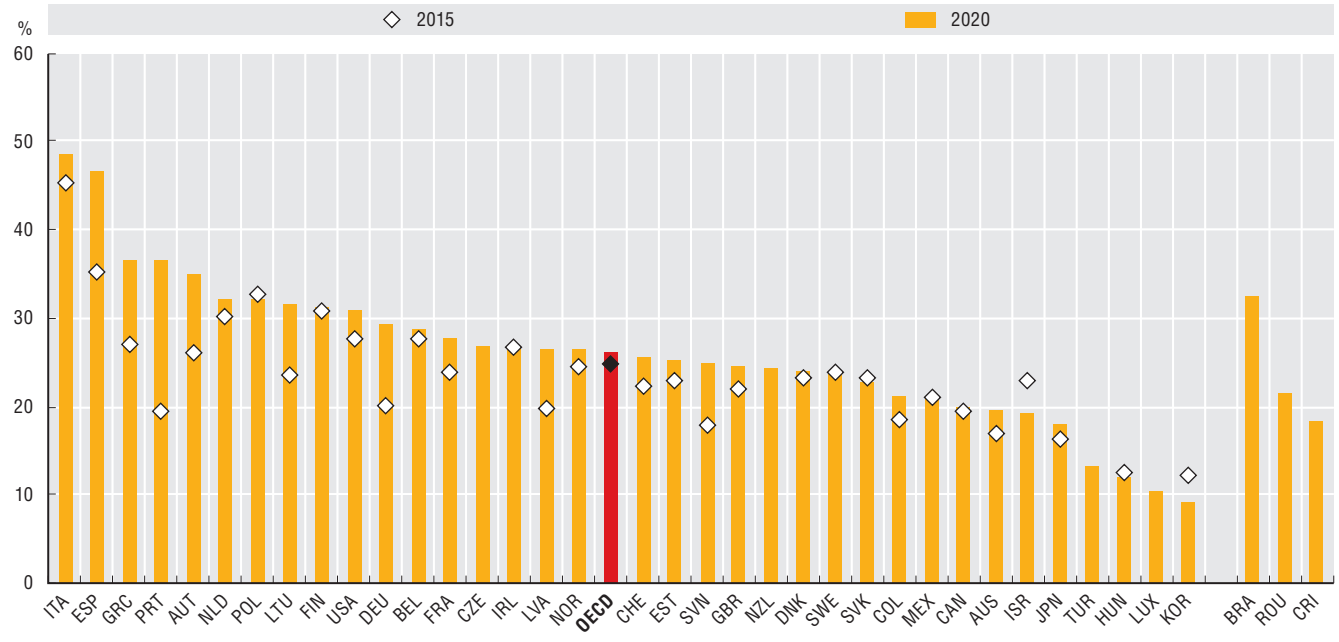
Paccagnella, M. (2016), "Age, ageing and skills: Results from the Survey of Adult Skills", *OECD Education Working Papers*, No. 132, OECD Publishing, Paris, *https://doi.org/10.1787/5jm0q1n38lvc-en*.

Figure notes

Data for France are for 31 December 2018. Data for Hungary are for 2018. Data for Luxembourg, the Netherlands and Poland are for December 2019. Data for Denmark and Finland are for February 2020. Data for Colombia are for March 2020. Data for Korea are for 31 December 2020. The age groups for 2020 for Hungary and Luxembourg are 18-35 years old and over 56 years old. The age groups for 2020 for Poland are under 30 and 50 years and over. Data for 2015 for Poland are for over 51-year-olds. Data for Estonia do not include higher public servants such as ministers, or the chancellor of justice, president or state controller.

Data for Greece and the United Kingdom are for 2016 rather than 2015. Data for Italy and France are for 2014 rather than 2015. Data for Estonia and Sweden for 2015 refer to full-time equivalents.

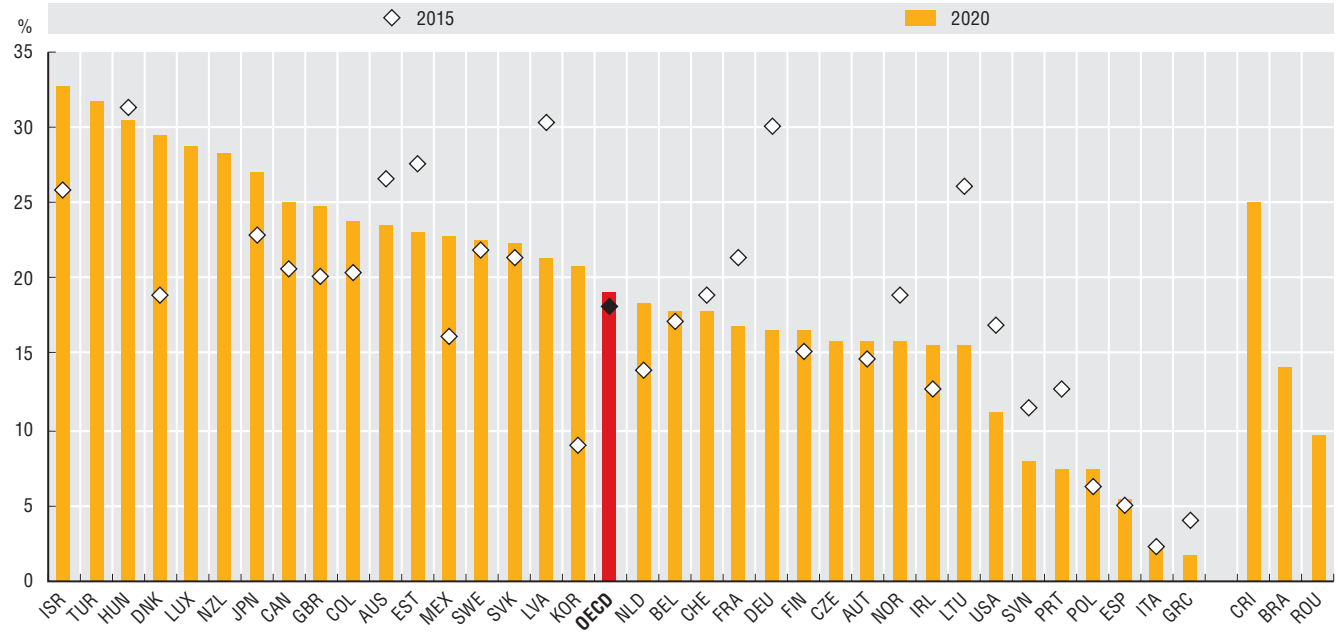
3.5. Percentage of central government employees aged 55 years or older, 2015 and 2020



Source: OECD (2020) *Survey on the Composition of the Workforce in Central/Federal Governments.*

StatLink https://doi.org/10.1787/888934257413

3.6. Percentage of central government employees aged 18-34 years old, 2015 and 2020



Source: OECD (2020) *Survey on the Composition of the Workforce in Central/Federal Governments.*

StatLink https://doi.org/10.1787/888934257432

Gender equality in public sector employment

A diverse and inclusive workforce can help to strengthen government performance by boosting innovation and enhancing core public service values (Nolan-Flecha, 2019). It can increase public service quality by providing services that reflect and meet the needs of the community, improving social dialogue and communication. The OECD Recommendations on Public Service Leadership and Capability and on Gender Equality in Public Life underscore the need to build diverse – including gender-diverse – workplaces and ensure equal access to under-represented groups. Equal representation of women and men in the public sector is a key indicator of progress towards gender equality and diversity.

In 2019, women made up a larger share of public sector employees in OECD countries on average (58%) than of total employment (45%) and this was the case in all OECD countries except Japan, Luxembourg and Turkey. The difference is more than 20 p.p. in Sweden, Finland, Norway and Denmark (Figure 3.7). One reason for this phenomenon is that some public sector occupations, such as teachers or nurses, are female dominated as they are often traditionally considered "women's jobs". Many OECD countries are taking steps to eliminate this occupational segregation and tackle gender stereotypes (OECD, 2019b).

Few OECD countries achieve gender parity in senior central government positions (Figures 3.8 and 3.9). On average, 37% of senior positions are held by women. Latvia, Sweden, and Greece have the largest share of women in senior positions (53-56%) while Japan (4%) and Korea (9%) have the smallest. In almost all OECD countries, the share of women in middle and senior management is lower than for other central government positions, possibly indicating difficulties in climbing the leadership ladder. Only in Sweden do women make up a larger share of middle and senior management positions than for other central government positions, although in Colombia, Greece and Latvia, the share in middle management positions is larger than for other positions (Figure 3.8).

Since 2015, the share of women in senior positions grew in most countries, except France, Mexico, Poland and Lithuania, where it fell slightly. The increase was the greatest in the Slovak Republic (15 p.p.), Spain (14 p.p.) and Sweden (11 p.p.) (Figure 3.9). Policies that aim at gender balance in the most senior levels of administration, such as developing a diversity strategy or setting hiring targets for women, can attract more women into these roles. This will also contribute to more gender-responsive policy making.

Methodology and definitions

Data on public sector employment are from the ILO ILOSTAT (database). Data are based on the Labour Force Survey unless otherwise indicated. Public sector employment covers employment in general government plus employment in publicly owned resident enterprises and companies. Data represent the total number of people employed directly by those institutions, without regard to the particular type of employment and working hours.

Data on central government by position and gender were collected through the 2020 Composition of the Workforce in Central/Federal Governments survey and refer to the situation on 1 January 2020. Most respondents were senior officials in central government HRM departments, and data refer to HRM practices in central government. The survey was completed by all OECD countries except Iceland, one OECD accession country (Costa Rica), Brazil and Romania. Data are missing for Chile and Turkey. Definitions of public service as well as the organisations governed at the central level of government vary widely, which should be considered when making comparisons. For definitions of the occupation levels please refer to Annex D. Data for other positions in Figure 3.8 refer to all central administration positions, excluding senior and middle managers.

Further reading

Nolan-Flecha, N. (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", *OECD Working Papers on Public Governance*, No. 34, OECD Publishing, Paris, *https://doi.org/10.1787/51691451-en*.

OECD (2019a), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

OECD (2019b), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, OECD Publishing, Paris, *https://doi.org/10.1787/g2g9faa5-en*.

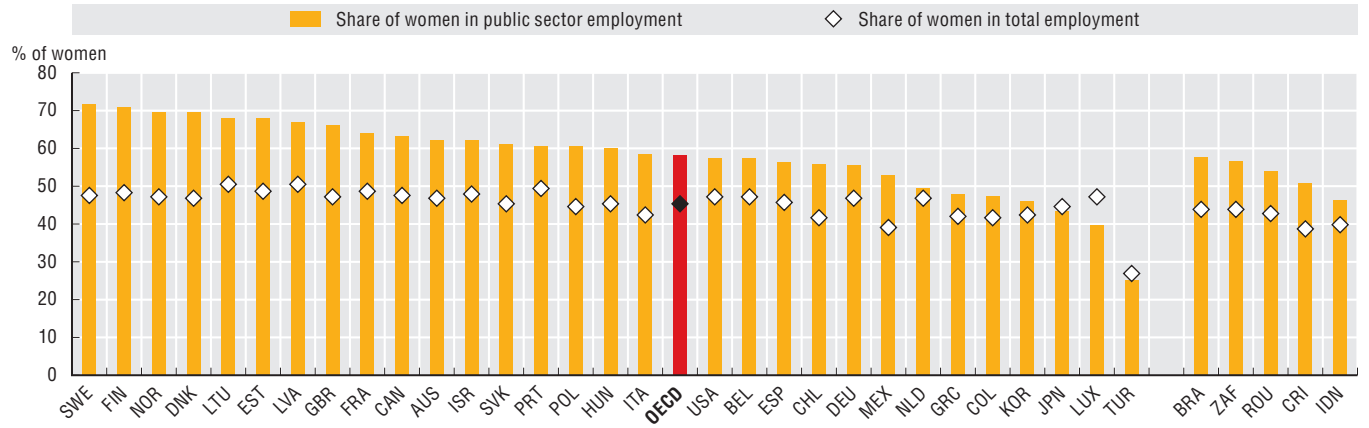
Figure notes

3.7. Data for Austria, the Czech Republic, Iceland, Ireland, New Zealand, Slovenia and Switzerland are not available. Data for Denmark, Germany and Latvia are based on administrative records or establishment survey. Data for Hungary, Luxembourg and the United Kingdom are for 2018. Data for Australia and Turkey are for 2017.

3.8. Data for middle management are not available for Austria and Luxembourg, so other positions refer to all central positions excluding senior managers. Data on middle management in Hungary reflect all management positions.

3.8 and 3.9. Data for Hungary are for 2018. Data for France refer to 31 December 2018. Data for Luxembourg, the Netherlands, Slovenia and Poland refer to December 2019. Data for Denmark and Finland refer to February 2020. Data for Colombia refer to March 2020. Data for Korea refer to December 31 2020. Data for Chile, Iceland and Turkey are not available. Senior management data for Austria refer only to D1.

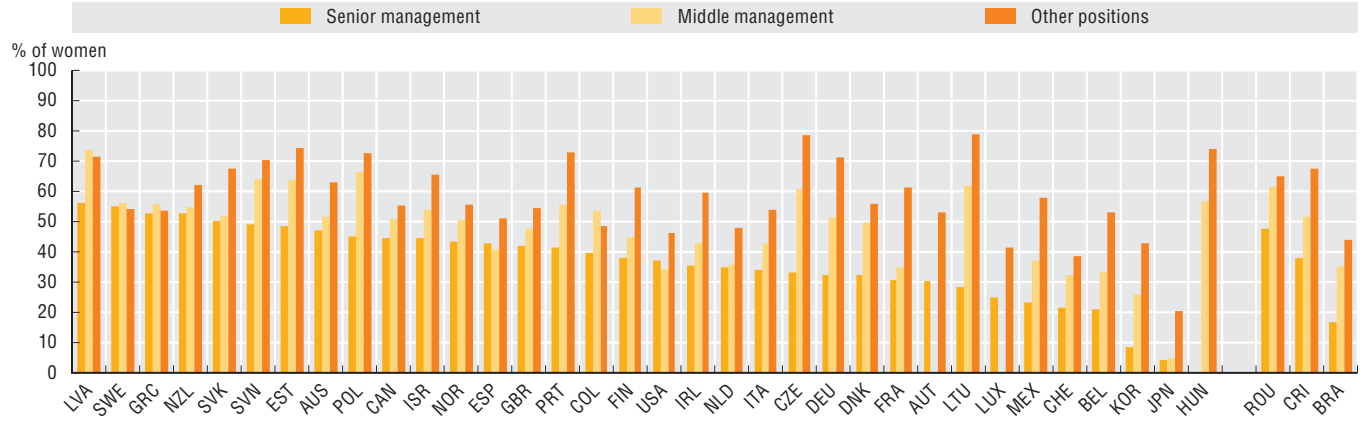
3.7. Gender equality in public sector employment and in total employment, 2019



Source: International Labour Organization (ILO) *ILOSTAT* (database), *Employment by sex and institutional sector*. Data for Israel, Italy, Korea and Portugal were provided by national authorities.

StatLink https://doi.org/10.1787/888934257451

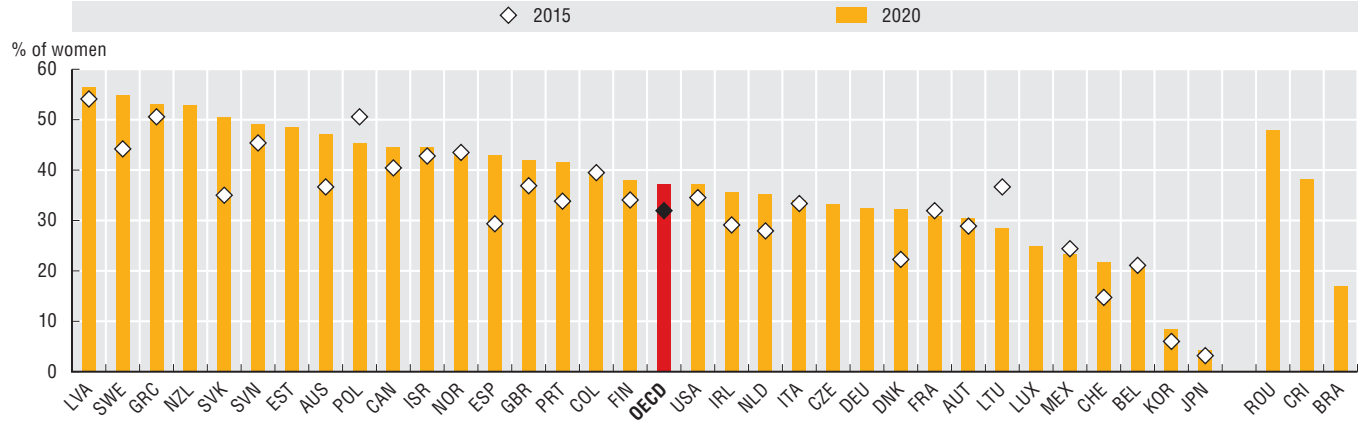
3.8. Gender equality by positions in central governments, 2020



Source: OECD (2020), *Survey on the Composition of the Workforce in Central/Federal Governments*.

StatLink https://doi.org/10.1787/888934257470

3.9. Gender equality in senior management positions in central governments, 2015 and 2020



Source: OECD (2020) *Survey on the Composition of the Workforce in Central/Federal Governments*; OECD (2016), *Survey on the Composition of the Workforce in Central/Federal Governments*.

StatLink https://doi.org/10.1787/888934257489

Gender equality in politics

Ensuring that the leaderships of public administrations and parliaments reflect the populations they serve – including their gender composition – can contribute to the fairness and responsiveness of these institutions. Achieving gender equality in politics requires more than women and men having an equal share of parliamentary seats and ministerial positions. It requires that women and men of all backgrounds have equal access to such positions and can subsequently participate in decision making on an equal basis. Achieving this entails putting in place inclusive work environments, facilitating equal access to leadership roles (e.g. chairs of parliaments and parliamentary committees), and removing socio-economic barriers to political participation (e.g. through gender-mainstreamed and targeted public policies).

On average across OECD countries, 31.6% of the seats in the lower/single houses of their parliaments were held by women in 2021, compared to 26% almost a decade ago. Women's representation ranged from over 48% in Mexico and New Zealand, to less than 20% in Colombia, Hungary, Japan, Korea and Turkey. Between 2017 and 2021, France, New Zealand and Latvia increased the share of women in the lower/single house parliaments by more than 13 p.p., with New Zealand achieving the most diverse government of its history (IPU, 2021). During the same period there have also been significant setbacks, with the share of women falling by 10 p.p. in Slovenia, 7.9 p.p. in Iceland and 5.5 p.p. in Germany (Figure 3.10).

A gender-balanced cabinet is a strong indicator of a government's commitment to gender equality. In 2021, on average across OECD countries, 34% of federal/central government ministerial positions were held by women, an increase of 6 p.p. since 2017. Women's representation in cabinet posts increased widely in OECD countries, with women holding 40% or more of the ministerial posts in 16 OECD countries. Furthermore, countries like Spain, Finland and France have reached 50% female representation in ministerial positions. Austria, Belgium and the United States have also achieved notable gains in women's representation in ministerial posts, with increases of over 29 p.p. since 2017 while Hungary, Korea and Portugal saw increases of over 18 p.p. In the case of the United States, for example, this can be correlated with the President's commitment to nominate a diverse cabinet and leadership. Despite this overall improvement, several countries have experienced setbacks. Between 2017 and 2021, women's participation in cabinet posts fell the most in Slovenia (31.3 p.p.), Poland (17.9 p.p.) and Estonia (14.3 p.p.) (Figure 3.11).

Methodology and definitions

Data for women parliamentarians refer to the lower/single house of parliament and were obtained from the Inter-Parliamentary Union's PARLINE database.

Data refer to the share of women parliamentarians recorded as of 1 January 2021, 1 January 2017 and 31 October 2012. Percentages represent the number of women parliamentarians as a share of total filled seats. There are three key types of gender quotas: legislated candidate quotas (which regulate the gender composition of the candidate lists and are legally binding on all political parties in the election); legislated "reserved seats" (which regulate by law the gender composition of elected bodies by reserving a certain number of seats for women members, implemented through special electoral procedures); and party quotas (also called voluntary party quotas, they are adopted by individual parties for their own candidate lists, and are usually enshrined in party statutes and rules). Data on quotas were obtained from the Inter-Parliamentary Union's PARLINE database.

Data on women ministers in national government were obtained from the Inter-Parliamentary Union's Women in Politics database. Data represent women appointed ministers as of 1 January of each year of reference. Data show women as a share of total ministers, including deputy prime ministers and ministers. Prime ministers/heads of government were also included when they held ministerial portfolios. Vice-presidents and heads of government or public agencies have not been included.

Further reading

IPU (2021), *Women in Parliament in 2020: The Year in Review*, Inter-Parliamentary Union, *www.ipu.org/women-in-parliament-2020*.

OECD (2019), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, OECD Publishing, Paris, *https://doi.org/10.1787/g2g9faa5-en*.

OECD (2018), Toolkit for Mainstreaming and Implementing Gender Equality, OECD website, *www.oecd.org/gender/governance/toolkit/*.

OECD (2016), *2015 OECD Recommendation of the Council on Gender Equality in Public Life*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264252820-en*.

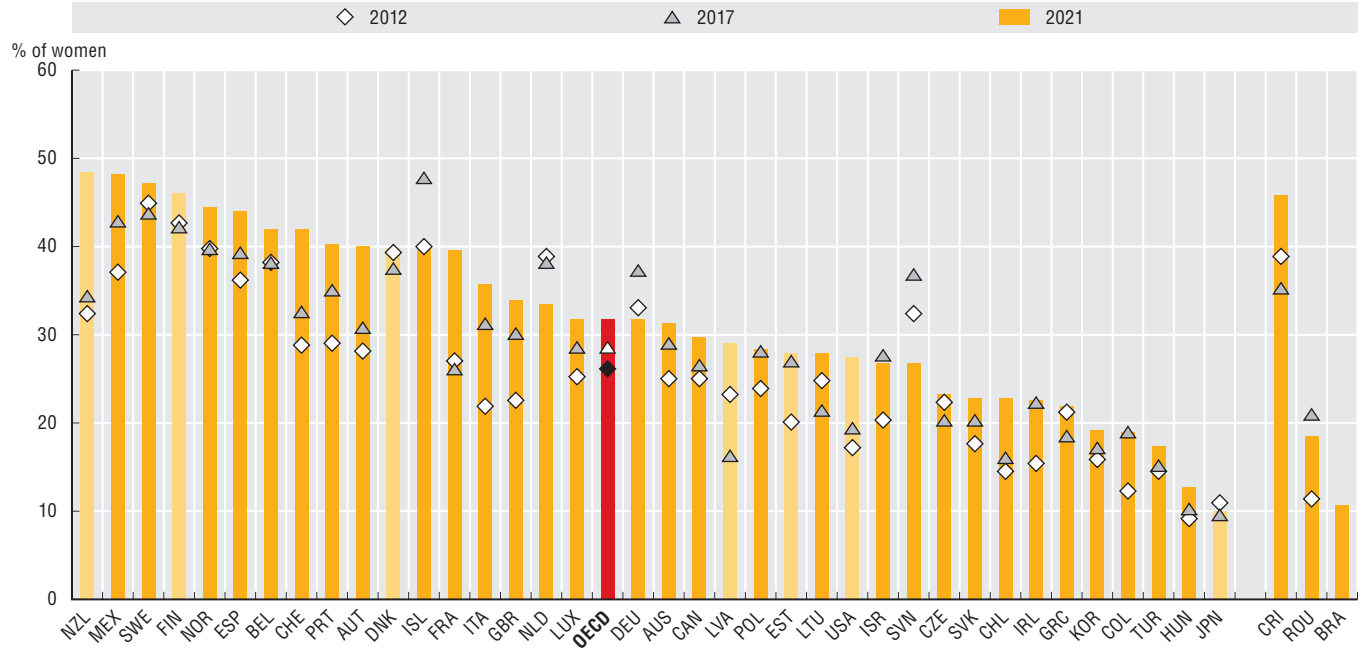
Figure notes

3.10. Countries in light orange represent lower or single house parliaments without electoral quotas as of February 2021. Data for Israel for 2021 correspond to the outgoing legislature as parliament was dissolved in December 2020 and new elections were yet to take place at the time of preparing this publication.

3.11. Data for the United States for 2021 correspond to the government appointed in January 2021 following elections held in 2020.

3.10. Gender equality in parliament and electoral gender quotas, 2012, 2017 and 2021

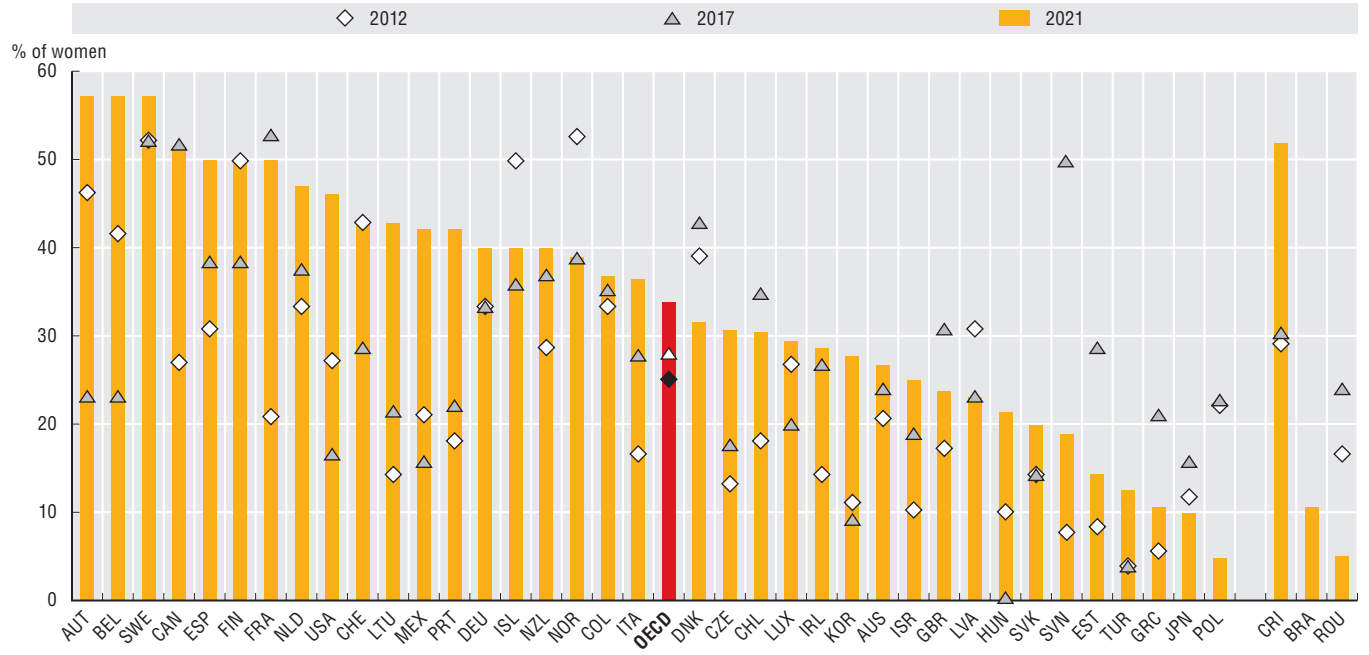
Lower or single house of the legislature



Source: Inter-Parliamentary (IPU) *PARLINE* (database).

StatLink https://doi.org/10.1787/888934257508

3.11. Gender equality in ministerial positions, 2012, 2017 and 2021



Source: Inter-Parliamentary Union (IPU) *Women in Politics*, 2021, 2017 and 2012. Data for Turkey for 2021 were provided by national authorities.

StatLink https://doi.org/10.1787/888934257527

Youth representation in politics

The COVID-19 crisis has exacerbated pre-existing challenges for young people, while recovery measures are bringing questions of intergenerational justice to the forefront of the policy debate (OECD, 2020b). Youth representation in public institutions is critical to ensuring that public decisions take into account different perspectives, policy solutions benefit from a range of experiences and skills, and that policy outcomes are sustainable and responsive to all citizens' interests, needs and specificities (OECD, 2020a). The active involvement of youth can also inspire others of the same age and help restore their trust in public institutions (OECD, 2020a).

Civic and citizenship education can be instrumental in familiarising youth with democratic processes and providing them with the necessary skills for active citizenship. Governments can engage young people through public consultations, participatory budgeting programmes, innovative deliberative processes, affiliating advisory youth councils to government or specific ministries (as happens in 53% of OECD countries), or through youth councils at national (in 78% of OECD countries) and sub-national levels (in 88% of OECD countries) (OECD, 2020a). However, youth participation and representation in public and political life remain limited.

Among the barriers to becoming elected officials faced by young people, a lack of time and funding to run a campaign is the issue most frequently raised, by 71% of the 65 youth organisations in OECD countries surveyed in the OECD Youth Governance Survey. Limited opportunities in political parties (51%), traditional stereotypes portraying them as inexperienced (47%) and minimum age requirements (22%) are also perceived as barriers (OECD, 2020a).

While democracy does not necessarily require institutions to mirror demographics, youth's underrepresentation in parliament indicates the existence of norms, rules and regulations that hamper their participation to democratic processes. In 2020, on average across the OECD, 22% of members of parliaments (MPs) were under 40, ranging from 36% in Norway to 8% in France. In comparison, 20-39 year-olds represent 34% of the voting-age population on average across OECD countries, an average representation gap of more than 12 percentage points (p.p.). Wide differences exist among OECD countries: in Italy, Finland and Norway the share of young MPs is larger than the share of young people in the voting-age population (by 6 p.p. in Italy, 4 p.p. in Finland and 1 p.p. in Norway) but in all other OECD countries, the share of young MPs is lower. The largest representation gaps are found in Luxembourg (-26 p.p.), the United States (-25 p.p.) and Australia (-24 p.p.) (Figure 3.12). Some OECD countries have adopted youth quotas for national parliaments voluntarily by some party lists (such as in Lithuania, Mexico and Sweden).

Representation gaps are even more pronounced within countries' political leadership. In 2018, the average age of cabinet members ranged from 45 years in Iceland to 62 years in Japan, with an OECD average of 53 years. The five youngest cabinets across OECD countries were in Iceland (45 years), Norway (46.2), Estonia (47.1), Denmark (47.4) and Finland (47.4) (Figure 3.13). In 2018, across the OECD, only 51 of the then-incumbent cabinet members were under 40 (8%) and only 20 were aged 35 or below (3%) (Figure 3.13).

Methodology and definitions

Youth quotas refer to reserving seats (reserved quotas) or a number of positions as political candidates to young people, whether imposed by law on all parties (legislated quotas) or adopted by one or more parties (party quotas). There are wide variations in quota design across countries in terms of the type of quota, the age group specified, the percentage applicable and whether gender requirements are included.

Data on the share of young parliamentarians refer to the share of parliamentary representatives aged 40 and under obtained from the Inter-Parliamentary Union's Parline database. Data on young people as a share of the voting-age population refer to the percentage of people aged 20-39 as a share of people aged 20 and over, and were obtained from the OECD Demography and Population database.

Data on the average age of cabinet members were collected through desktop research of OECD countries' cabinet membership from official government websites, and the biographies of each member. The data reflect the situation as of February 2018.

Further reading

OECD (2020a), *Governance for Youth, Trust and Intergenerational Justice: Fit for All Generations?*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://dx.doi.org/10.1787/c3e5cb8a-en*.

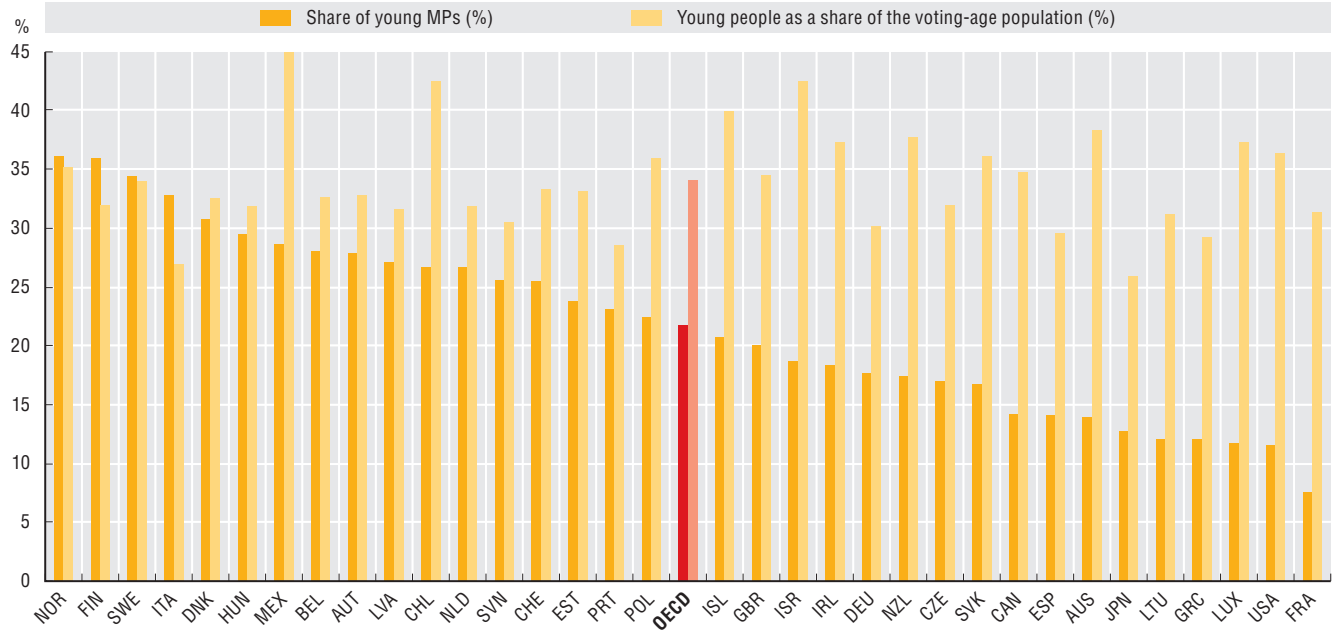
OECD (2020b), "Youth and COVID-19: Response, recovery and resilience", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/c40e61c6-en*.

Figure notes

3.12. Data on the share of young people as a share of the voting-age population refer to 2018.

3.13. Data for one cabinet member in Canada and three in Mexico could not be found. Representatives were selected based on the cabinet members listed on the official government websites.

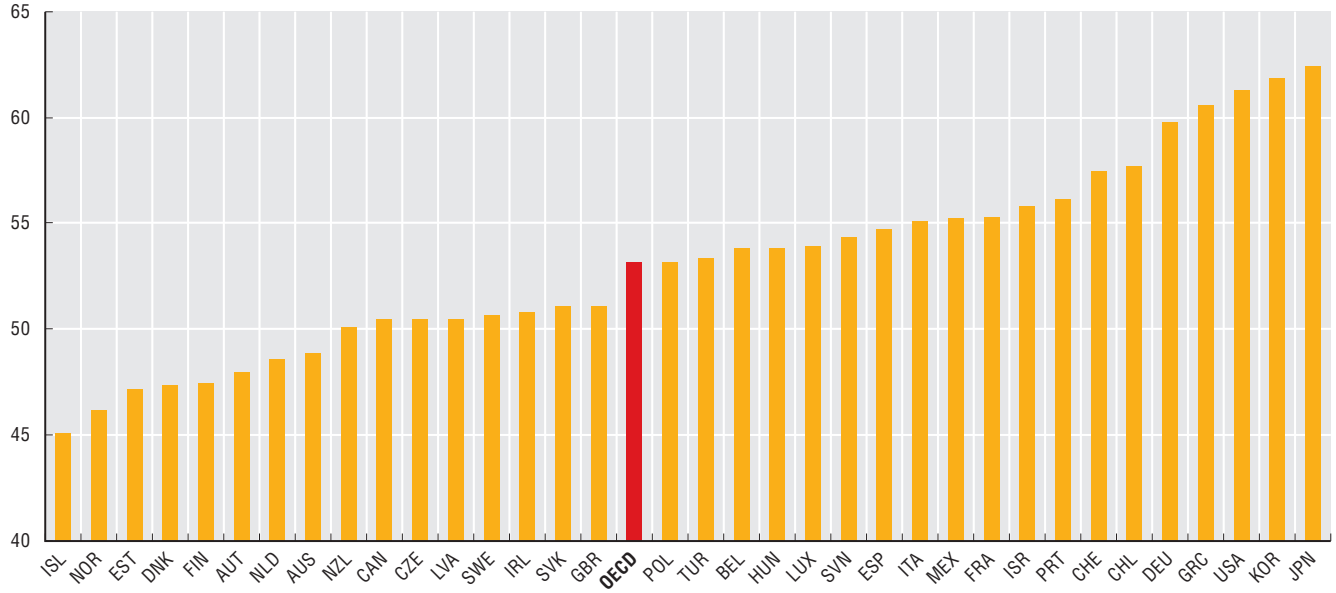
3.12. Share of members of parliament aged 40 and under and people aged 20-39 as a share of voting-age population, 2020



Source: OECD calculations based on *OECD Demography and Population* (database); Inter-Parliamentary Union (IPU), *Parline* (database) on national parliaments.

StatLink https://doi.org/10.1787/888934257546

3.13. Average age of cabinet members, 2018



Source: OECD (2020), *Governance for Youth, Trust and Intergenerational Justice: Fit for All Generations*.

StatLink https://doi.org/10.1787/888934257565

Gender equality in the judiciary

Ensuring gender balance in judicial leadership has been increasingly highlighted by OECD countries as a key governance issue related to fairness, transparency and the effectiveness of rule of law (OECD, 2019). A diverse judicial workforce can bring different voices and perspectives to the bench. Such diversity and gender balance can also strengthen the integrity of the judiciary, promoting citizen's trust in justice services. Greater participation of women in judicial professions, particularly at senior levels, can also help reduce gender stereotypes and increase women's willingness to enforce their rights.

As of 2018, women made up 61% of the judiciary in the OECD-EU countries, ranging from 81% in Latvia to 33% in the United Kingdom. Overall, in most OECD countries, gender representation across the judiciary has remained fairly constant or has marginally increased compared to 2016. On average during this period the share of women judges increased by 2 p.p. The greatest increase in the share of women judges was recorded in Turkey (5 p.p.) but there were marginal declines of 1 p.p. in Iceland and Israel. When comparing gender balance among judges, it is important to consider the unique features of national legal systems and professional development patterns. For example, differences exist between the civil law system and the common law system: in the former, women can be recruited directly from law schools before they face possible career disruptions, while in the latter, women face a statutory requirement for at least five or seven years post-qualification experience for legally qualified posts in the judiciary (Figure 3.14).

However, uneven gender representation continues to be observed in high-level courts, with significant gaps observed at the supreme court level. In fact, on average the share of female judges in supreme courts across OECD-EU countries, recorded a value of 36% in 2018 (Figure 3.15). In comparison, the average share of female judges was 63% in first instance courts and 54% in second instance courts across OECD-EU countries in 2018. This pattern can be explained by several persistent barriers to access to judicial positions for women, such as gender stereotypes and biases and challenges in reconciliating work and life due to a culture of long working hours. Lack of empowerment, mentoring, networking and professional development opportunities can also hamper women's presence in the pool of senior judicial positions.

Methodology and definitions

Data on the gender equality of professional judges refers to the overall share of women occupying judgeship positions in 2016 and 2018 in courts of all instances. The data were retrieved from CEPEJ-STAT, a dynamic database of European judicial systems of the Council of Europe European Commission for the Efficiency of Justice (CEPEJ).

Data on the gender equality of professional judges by court refers to the share of women occupying judgeships in three levels of courts as of 2018: first instance, second instance and supreme courts. The data were retrieved from the CEPEJ-STAT.

Courts of first instance are where legal proceedings begin, courts of second instance review decisions issued by lower courts and supreme courts are the highest courts within the hierarchy of many legal jurisdictions and primarily function as appeal courts, reviewing decisions of lower and intermediate-level courts.

Professional judges are those recruited, trained and remunerated to perform the function of a judge as a main occupation. This category includes professional judges from first instance, second instance and supreme courts.

Further reading

OECD (2019), *Fast Forward to Gender Equality: Mainstreaming, Implementation and Leadership*, OECD Publishing, Paris, *https://doi.org/10.1787/g2g9faa5-en*.

OECD (2018), Toolkit for Mainstreaming and Implementing Gender Equality, OECD website, *www.oecd.org/gender/governance/toolkit/*.

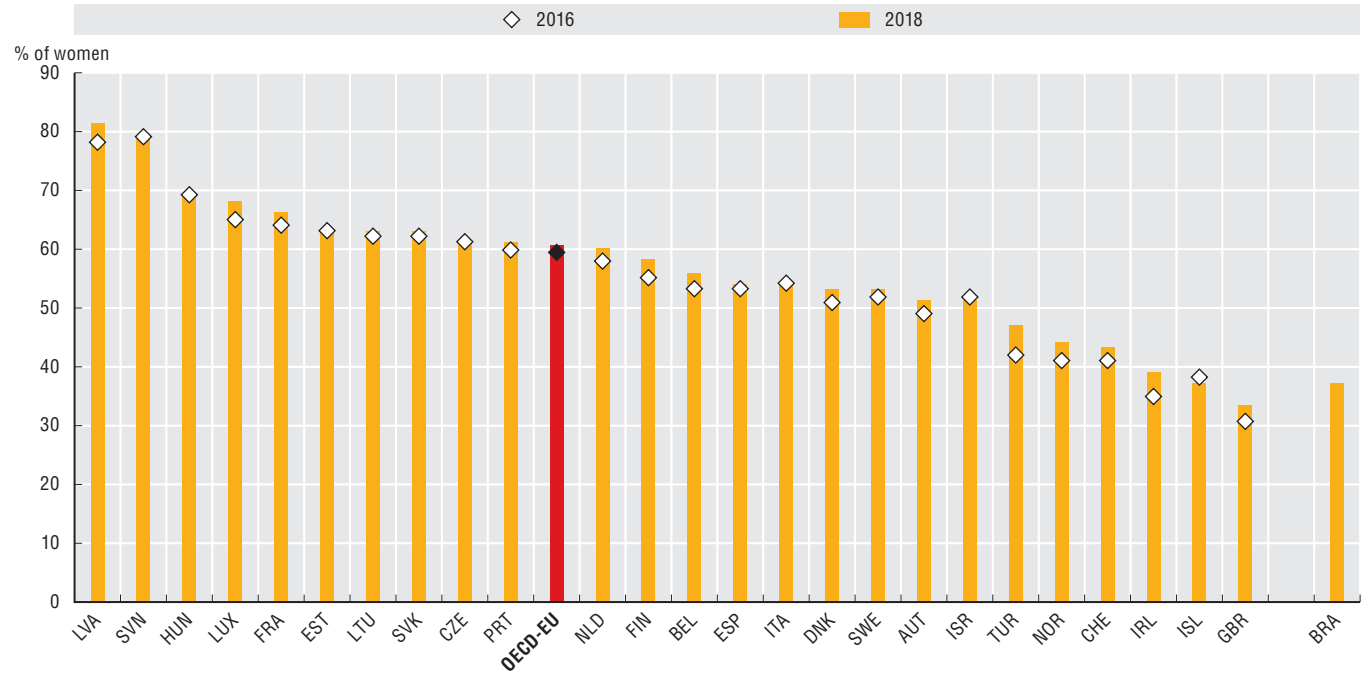
OECD (2016), *2015 OECD Recommendation of the Council on Gender Equality in Public Life*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264252820-en*.

Figure notes

Germany, Greece and Poland have not been included in the average because of missing time series.

Data for the United Kingdom calculated as a simple average of the share of female judges in England and Wales, Northern Ireland, and Scotland.

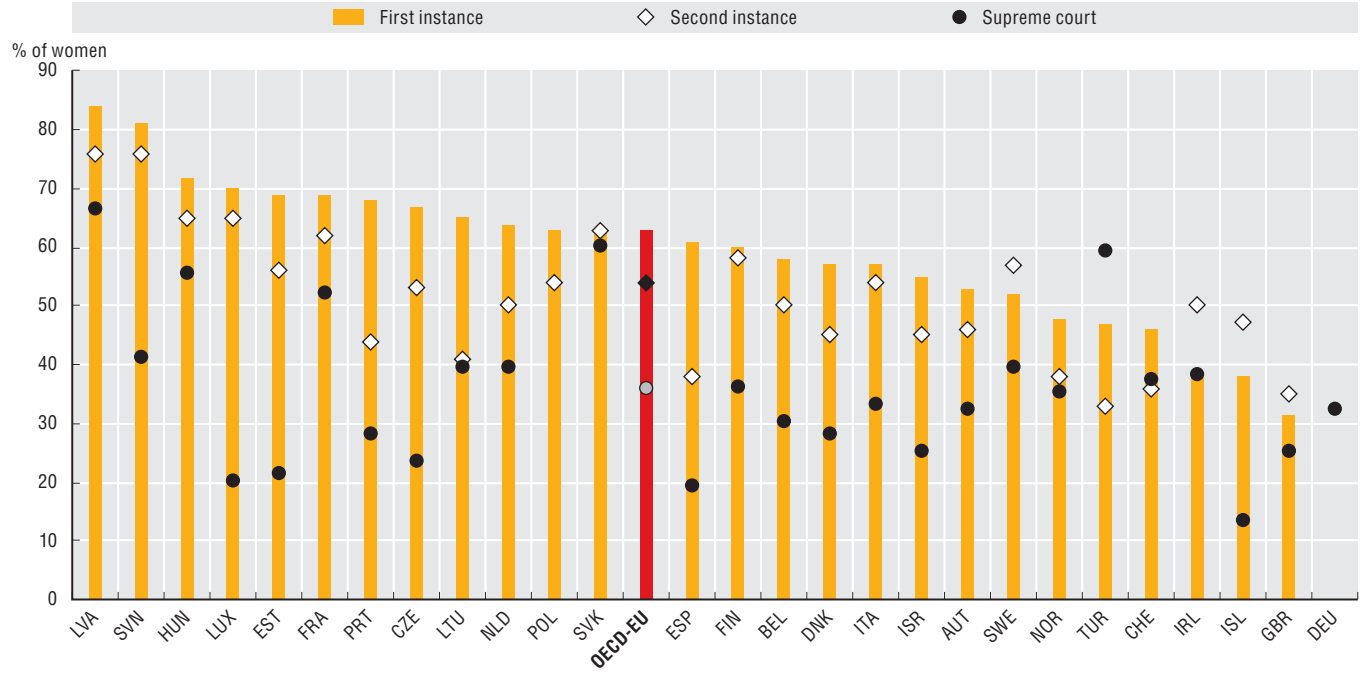
3.14. Gender equality of professional judges, 2016 and 2018



Source: Council of Europe European Commission for the Efficiency of Justice (CEPEJ) *CEPEJ-STAT* (database),

StatLink https://doi.org/10.1787/888934257584

3.15. Gender equality of professional judges by level of court, 2018



Source: Council of Europe European Commission for the Efficiency of Justice (CEPEJ) *CEPEJ-STAT* (database),

StatLink https://doi.org/10.1787/888934257603

4. INSTITUTIONS

Role of centres of government in the response to COVID-19

Role of centres of government in planning for the recovery from the COVID-19 pandemic

Crisis communications: Role of centres of government and ministries of health

Role of centres of government and ministries of health in countering misinformation and disinformation

Role of centres of government in the response to COVID-19

Centres of government (CoGs) are the administrative structures supporting the executive (such as the president, prime minister and the council of ministers or cabinet collectively).

Among the 26 OECD countries for which data were available, the most notable changes in the functioning of CoGs in response to COVID-19 were having to provide support to more co-ordination instances (20 out of 26, 77%), and more stakeholders participating in co-ordination meetings called by the CoG (19 out of 26, 73%). Among the countries where more stakeholders have participated in co-ordination meetings, almost all expected to retain this change during the planning of the economic recovery from COVID-19, while less than half of countries with more co-ordination instances expected to retain this change. Other changes include instituting new protocols on communication and to combat disinformation (17 out of 26 CoGs, 65%), and new or increased responsibilities (12 of 26 CoGs, 46%) such as for risk management and policy analysis. Most expect to retain these changes. Despite increased responsibilities and more complex workloads, however, only 7 of 26 responding OECD countries (27%) reported an increase in resources available to the CoG since the onset of the COVID-19 crisis, and 6 out of 26 (23%) reported changes in staff levels (Figure 4.1).

All responding countries had at least one mechanism in place to align strategic plans and fiscal frameworks, with 22 out of 26 (85%) using discussions in the cabinet or council of ministers for this purpose. This co-ordination mechanism is typically supplemented by at least one additional lower-level mechanism. These include *ex ante* review and approval from the ministry of finance (13 out of 26, 50%), discussion and technical co-ordination within the centre of government (13 of 26, 50%), specific dialogues between the head of the CoG and the minister of finance (10 of 26, 38%) and special sub-cabinet committees (9 of 26, 35%). There is no clear pattern across countries as to how different co-ordination mechanisms are combined, with each country using a bespoke set of mechanisms (Figure 4.2).

Governments have widely used information campaigns and consultation mechanisms to involve stakeholders in strategies for COVID-19 and the recovery, but the use of engagement mechanisms to actively involve them has been less common. Most of the 26 responding countries used consultation mechanisms to involve stakeholders both in the design of strategies for the response to the COVID-19 crisis (20 out of 26, 77%) and the design of strategies for the recovery period (18 of 26, 69%). Governments have also made widespread use of information campaigns to inform stakeholders about the design of the strategies for the response to the COVID-19 crisis (19 of 26, 73%) and strategies for the recovery period (16 of 26, 62%). However engagement mechanisms to actively involve stakeholders in the design of the strategies for the response to the COVID-19 crisis or for the recovery period have only been used by 9 out of 26 governments in each instance (35%) (Online Table G.26).

Methodology and definitions

Data are from the OECD survey Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts, conducted during January-March 2021. Twenty-six OECD countries and two other economies (Brazil and Romania) responded. Respondents were senior officials who provide direct support and advice to heads of government and to the council of ministers or cabinet.

The centre of government (CoG), also known as the Cabinet Office, Office of the President, Privy Council, General Secretariat of the Government, among others, is the structure that supports the prime minister/president and the council of ministers (i.e. the regular meeting of government ministers). The CoG includes the body that serves the head of government and the council, as well as the office that specifically serves the head of government (e.g. Prime Minister's Office). Typical units of the centre of government include the Ministry or General Secretariat of the Presidency, the Office of the Prime Minister and the Cabinet Office, although these functions can in some cases be performed by units based in other parts of the government (e.g. finance, planning or budget offices).

Further reading

OECD (2018), *Centre Stage 2: The Organisation and Functions of the Centre of Government in OECD Countries*, OECD Publishing, *www.oecd.org/gov/centre-stage-2.pdf*.

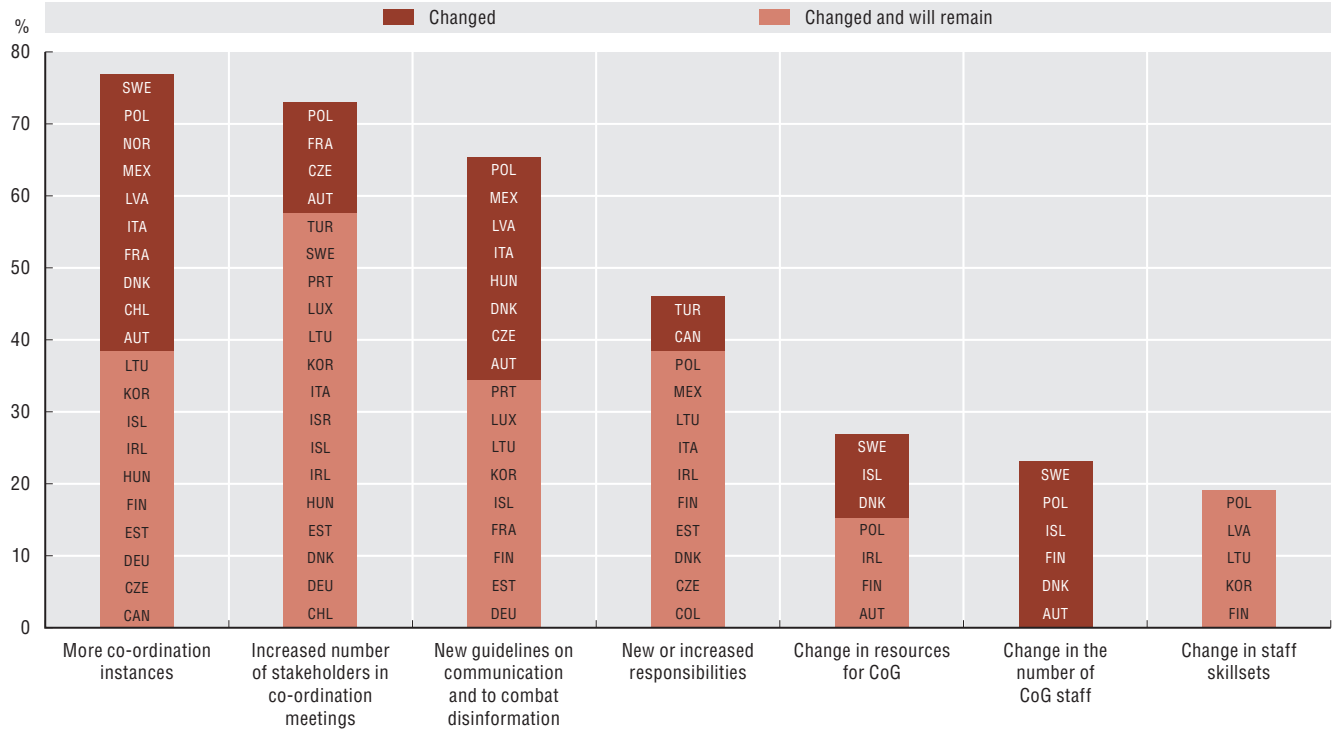
OECD (2014), *Centre Stage: Driving Better Policies from the Centre of Government*, OECD Publishing, *www.oecd.org/gov/Centre-Stage-Report.pdf*.

Figure notes

Data for Australia, Greece, Japan, the Netherlands, New Zealand, the Slovak Republic, Slovenia, Spain, Switzerland, the United Kingdom and the United States are not available.

Table G.26. (Stakeholder participation processes used during the COVID-19 crisis, 2021) is available online in Annex G.

4.1. Changes experienced by centres of government since the COVID-19 outbreak and that will remain when planning the recovery of the crisis, 2021



Source: OECD (2021), *Survey on Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts*.

StatLink https://doi.org/10.1787/888934257622

4.2. Aligning strategic plans and fiscal frameworks in response to COVID-19, 2021

Source: OECD (2021), *Survey on Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts*.

StatLink https://doi.org/10.1787/888934257641

Role of centres of government in planning for the recovery from the COVID-19 pandemic

Centres of government (CoGs) have an important role in managing the COVID-19 crisis, and they will continue to be crucial through the recovery period. Among OECD countries with data available, the prime minister's or president's office has been responsible for primary co-ordination of the strategic planning for COVID-19 recovery efforts in 15 of 26 (58%) countries. The ministry of finance has this responsibility in 3 of the 26 (12%), while another agency is responsible in 8 out of 26 countries (30%). These include the State Secretary for Economic Recovery and Strategic Investments in Belgium, the Ministry of Industry and Trade in the Czech Republic, the cabinet committee for sustainable recovery and growth in Finland, multiple bodies in Latvia, the council of ministers in Luxembourg, and the government offices in Sweden (Figure 4.3).

CoGs are responsible for some aspects of cross-government strategic planning to support recovery efforts in 19 out of 26 responding OECD countries (73%). In general, their responsibilities tend to be in strategic planning and oversight of implementation. CoGs are most frequently responsible for identifying priority areas for the recovery efforts, and selecting / shortlisting the priority policies / programmes to be implemented (16 out of 26, or 62%, in each case) and for co-ordinating the implementation of the recovery plans (14 of 26, 54%). It is less common for them to have a role in the more detailed aspects of implementing COVID-19 recovery plans: they are responsible for communicating the implementation of the recovery plans in only 13 out of the 26 responding countries (50%), establishing the main directives/guidelines for the design of the plans in 12 out of 26 (46%), evaluating the plans in 7 (27%), and providing *ex ante* reviews of the overall recovery plan in just 6 (23%) (Table 4.4).

Centres of government will require a wide range of evidence to help inform the design and delivery of their recovery policy priorities during 2021. While the specific types required vary substantially across countries, there is a strong demand for evidence, with all responding countries noting at least two different sources of evidence they will need to inform their priorities. Three evidence products are key. First, and most important, there is a clear desire to learn from the experience of peers during the recovery. Multi-country compendiums of best practices are the source of evidence in greatest demand, noted as a requirement by 20 out of 26 responding countries (77%). Analysis of the trade-offs between policy priorities, and global projections or forecasts are joint second (17 out of 26 in each case, 65%). Beyond these three core products, some CoGs will also seek to use in-depth country assessments and sets of recommendations (12 out of 26, 46%), checklists to support decision-making processes in the priority areas (11 of 26, 42%), analyses of policy coherence in support of sustainable development practices (9 of 26, 35%), and analyses of externalities (8 of 26, 31%) (Online Figure G.27).

Methodology and definitions

Data are from the OECD survey Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts, conducted during January-March 2021. Twenty-six OECD countries and two other economies (Brazil and Romania) responded. Respondents were senior officials who provide direct support and advice to heads of government and the council of ministers or cabinet.

The centre of government (CoG), also known as the Cabinet Office, Office of the President, Privy Council, General Secretariat of the Government, among others, is the structure that supports the prime minister and the council of ministers (i.e. the regular meeting of government ministers). The CoG includes the body that serves the head of government and the council, as well as the office that specifically serves the head of government (e.g. Prime Minister's Office). Typical units of the centre of government include the Ministry or General Secretariat of the Presidency, the Office of the Prime Minister and the Cabinet Office, although these functions can in some cases be performed by units based in other parts of the government (e.g. finance, planning or budget offices).

Further reading

OECD (2018), *Centre Stage 2: The Organisation and Functions of the Centre of Government in OECD Countries*, OECD, *www.oecd.org/gov/centre-stage-2.pdf*.

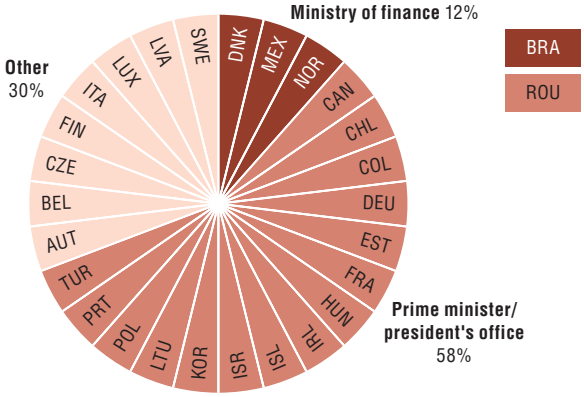
OECD (2014), *Centre Stage: Driving Better Policies from the Centre of Government*, OECD, *www.oecd.org/gov/Centre-Stage-Report.pdf*.

Figure notes

Data for Australia, Greece, Japan, the Netherlands, New Zealand, the Slovak Republic, Slovenia, Spain, Switzerland, the United Kingdom and the United States are not available.

Figure G.27. (Types of evidence or analyses needed to inform policy priorities, 2021) is available online in Annex G.

4.3. Body/agency responsible for co-ordinating strategic planning for the COVID crisis recovery efforts, 2021



Source: OECD (2021), *Survey on Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts*.

StatLink https://doi.org/10.1787/888934257660

4.4. Centre of government's responsibilities in cross-government strategic planning to support recovery efforts, 2021

	Identifying the priority areas for the recovery efforts	Selecting / shortlisting the priority policies/ programmes to be implemented	Co-ordinating the implementation of the recovery plans	Communicating the implementation of the recovery plans	Monitoring the implementation of the recovery plans	Establishing the main directives/ guidelines for the design of the recovery plans	Designing the overall recovery plans	Evaluating the recovery plans	Providing *ex ante* reviews of the overall recovery plans	Centre of government is not responsible
Austria	●	●	○	●	○	●	●	○	○	○
Belgium	○	○	○	○	○	○	○	○	○	●
Canada	●	●	○	○	●	○	○	○	○	○
Chile	●	●	●	●	●	●	○	○	○	○
Colombia	●	●	●	○	●	○	●	●	○	○
Czech Republic	○	○	○	○	○	○	○	○	○	●
Denmark	●	●	●	●	●	●	●	○	●	○
Estonia	●	●	●	●	●	●	●	○	○	○
Finland	○	○	●	●	○	●	●	○	●	○
France	●	●	●	●	○	●	●	○	○	○
Germany	●	●	●	○	●	○	○	○	○	○
Hungary	●	●	●	●	●	●	○	●	●	○
Iceland	○	○	●	●	●	○	●	○	○	○
Ireland	●	●	○	●	○	●	●	●	○	○
Israel	○	○	○	○	○	○	○	○	○	●
Italy	●	●	●	○	○	●	○	○	○	○
Korea	●	○	●	●	●	●	●	●	●	○
Latvia	○	○	○	○	○	○	○	○	○	●
Lithuania	●	●	●	●	●	○	○	●	○	○
Luxembourg	○	○	○	○	○	○	○	○	○	●
Mexico	●	●	○	○	●	○	○	○	○	○
Norway	○	○	○	○	○	○	○	○	○	●
Poland	●	●	●	●	●	●	●	●	●	○
Portugal	○	○	○	○	○	○	○	○	○	●
Sweden	●	●	●	●	●	●	●	●	●	○
Turkey	○	●	○	○	○	○	○	○	○	○
OECD Total										
● Yes	16	16	14	13	13	12	11	7	6	7
○ No	10	10	12	13	13	14	15	19	20	19
Brazil	●	●	●	●	●	●	●	●	○	○
Romania	○	○	○	○	○	○	○	○	○	●

Source: OECD (2021), *Survey on Building a Resilient Response: The Role of Centre of Government in the Management of the COVID-19 Crisis and Future Recovery Efforts*.

StatLink https://doi.org/10.1787/888934257679

Crisis communications: Role of centres of government and ministries of health

Public communication is a critical government function that enables coherent messaging both within the administration and externally, and serves as a key tool for effective policy design and implementation. Public communication also allows governments to listen to and understand their citizens. It is key to supporting the open government principles of transparency, integrity, accountability and stakeholder participation, ultimately serving to enhance good governance and build citizen trust.

Effective communication during a crisis is essential to the timely and beneficial dissemination of critical information to the public. Governments undertake crisis communication in response to unexpected events that could negatively affect their reputation or endanger citizens. It takes diverse forms, including media briefings, press releases and conferences as well as information campaigns about the facts and measures taken, and explaining the government's crisis response to citizens. In the COVID-19 pandemic, for example, communication from centres of government (CoGs) and ministries of health (MHs) played a key role in fostering knowledge of and compliance with measures adopted to ensure people's health and safety.

In 2019, 18 out of 27 CoGs in OECD countries (67%) had defined crisis communication procedures, as did 13 out of 17 MHs (76%) (Figure 4.5). CoGs' specific manuals or procedures include crisis communication frameworks (e.g. the United Kingdom's emergency planning framework), dedicated factsheets (the Netherlands), or sections on communication in wider crisis response plans (France) and frameworks (Australia and Belgium), acts (Switzerland and Luxembourg) and policies (Canada). In countries with no specific written criteria, some rely on adapting existing procedures to the nature of the incident, as in the Czech Republic, Estonia and Mexico. In Australia, Austria, Belgium, Canada and Germany, it is a shared responsibility between national and sub-national governments and is often – though not always – guided by CoG protocols or procedures.

Public communicators consider crisis communication one of their three most challenging competences in 15 out 27 CoGs (56%) and 9 out of 18 MHs (50%) in OECD countries (Figure 4.6). Co-ordination and human resources are the key challenges to implementing crisis communications: 12 CoGs and 6 MHs cited co-ordination as a reason why communicating during a crisis is demanding, 11 CoGs and 4 MHs cited human resources, and 10 CoGs and 3 MHs a combination of both (Figure 4.7).

Methodology and definitions

Data were collected from centres of government in 27 OECD countries, plus Brazil, Costa Rica and Romania, and from ministries of health in 18 OECD countries, plus Romania, through the OECD 2020 survey on Understanding Public Communication in Centres of Government, which covered the year 2019. The responses of four CoGs (Belgium, Estonia, Korea and Poland) and two MHs (Greece and Ireland) also included COVID-19 related measures adopted in 2020. Respondents were senior officials in charge of communication at the centre of government, i.e. the bodies that provide direct support and advice to heads of government and councils of ministers, and in ministries of health.

Public communication is understood as any communication activity led by public institutions for the public good. It is distinct from political communication, which refers to political parties, debates or elections.

A crisis is a threat to operations or reputations that can have negative consequences if not handled properly. Crises can create three related threats: to public safety, financial loss and reputation loss. Crisis communications are undertaken by governments with the public and stakeholders when an unexpected event occurs.

Further reading

OECD (2020), "Transparency, communication and trust: The role of public communication in responding to the wave of disinformation about the new Coronavirus", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/bef7ad6e-en*.

OECD (2020), "Building resilience to the Covid-19 pandemic: The role of centres of government", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/883d2961-en*.

OECD (2016), *Trends in Risk Communication Policies and Practices*, OECD Reviews of Risk Management Policies, OECD Publishing, Paris, *https://doi.org/10.1787/9789264260467-en*.

Figure notes

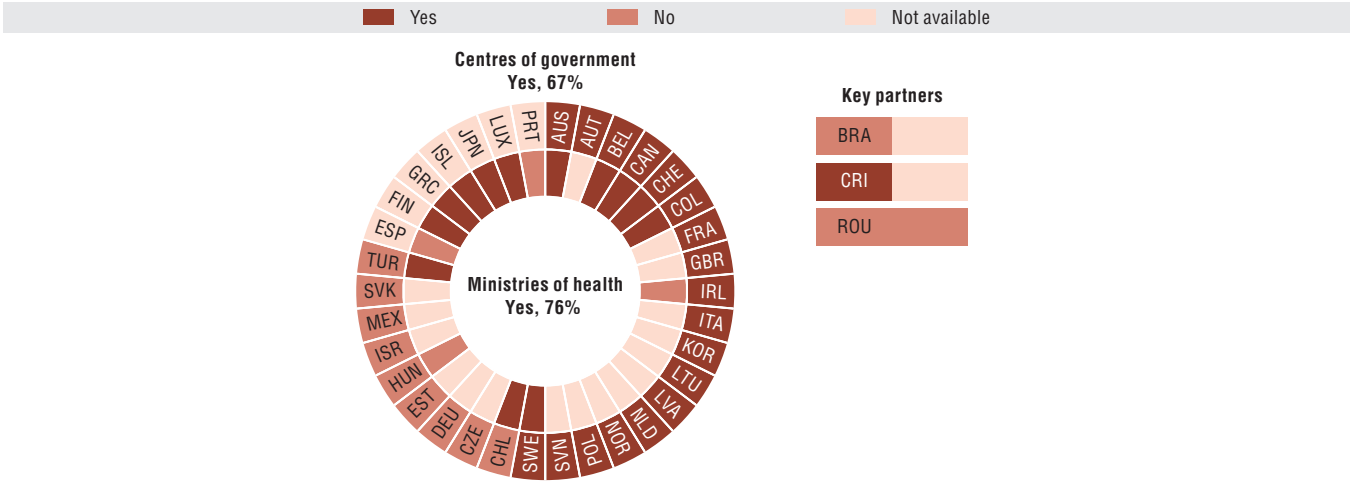
Finland, Greece, Iceland, Japan, Luxembourg, Portugal and Spain provided data for MHs but not CoGs. Austria, the Czech Republic, Estonia, France, Germany, Israel, Italy, Korea, Latvia, Mexico, the Netherlands, Norway, Poland, Slovakia, Slovenia and the United Kingdom provided data for CoGs but not MHs.

4.5. Data for Lithuania's Ministry of Health are not available. The outer ring shows the data for CoGs, and the inner ring the data for MHs.

4.6. The three alternatives presented are the top recurring challenges selected by respondents from 27 CoGs and 18 MHs out of all the options provided.

4.7. Data refer to the 15 CoGs and 8 MHs that indicated crisis communication is a challenge in 4.6. and chose human resources and/or co-ordination as the reason. Greece's MH did not answer.

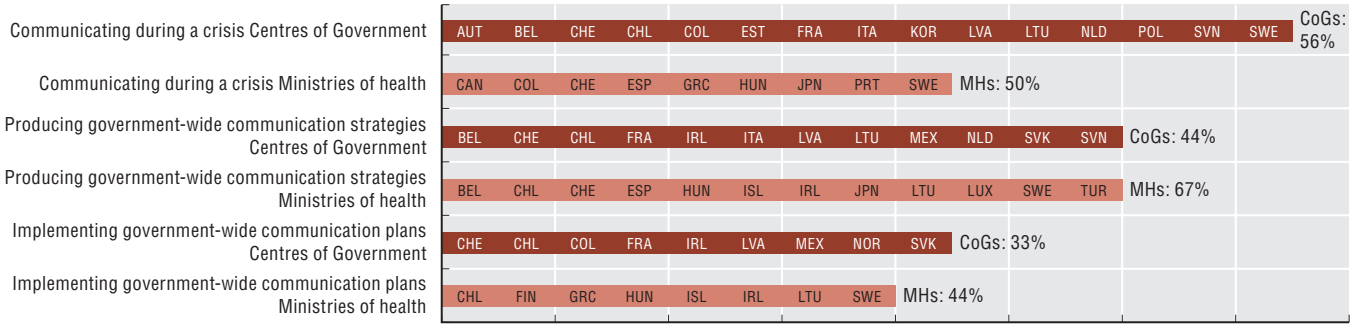
4.5. Availability of standard protocols or procedures to respond to crises in OECD countries, 2019



Source: OECD (2020), *Survey on Understanding Public Communication in Centres of Government*.

StatLink https://doi.org/10.1787/888934257698

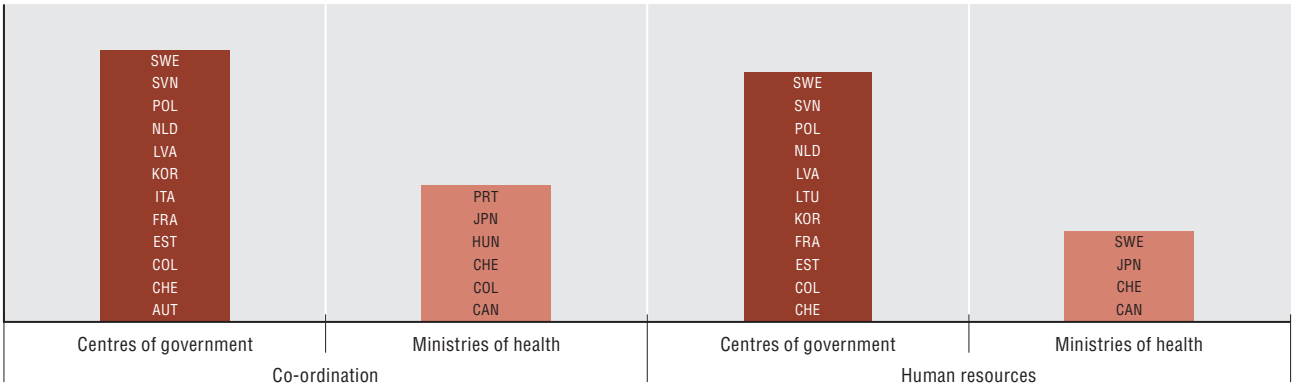
4.6. Three most challenging communication competences for centres of government and ministries of health, 2019



Source: OECD (2020), *Survey on Understanding Public Communication in Centres of Government*.

StatLink https://doi.org/10.1787/888934257717

4.7. Reasons why crisis communication is challenging for centres of government and ministries of health, 2019



Source: OECD (2020), *Survey on Understanding Public Communication in Centres of Government*.

StatLink https://doi.org/10.1787/888934257736

Role of centres of government and ministries of health in countering misinformation and disinformation

The flow of information between governments, citizens and stakeholders is a necessary part of open and inclusive societies. Yet, the public's ability to benefit from and share accurate information is undermined by a proliferation of false and misleading content, both online and offline. Governments must therefore be alert to the importance of public communication for promoting transparency and counteracting misinformation and disinformation.

Although the problem predates COVID-19, a wave of deceptive and untrue information from the start of the pandemic has undermined governments' policies and health measures by confusing and drowning out official messages, aggravating vaccine hesitancy, and challenging efforts to bring the pandemic under control. Rapid, transparent and proactive public communication is central to combatting misleading content. Governments use public communication to help enforce policy measures; in the context of COVID-19, efforts have often focused on compliance with health measures (e.g. handwashing, facemasks, lockdown provisions, social distancing). More broadly, public communication is also key to understanding, educating and engaging in dialogue with the public.

Despite widespread efforts to respond to misinformation, many countries may lack adequate institutional structures to deal with this issue. In 2019, only 11 out of 27 centres of government (CoGs) in OECD countries, plus Costa Rica, had adopted official documents to guide their responses to misinformation and disinformation (Figure 4.8). Two countries, Austria and Norway, were developing documents at the time of responding in 2020, partly due to the COVID-19 crisis. Relevant documents include government-wide or ministry-specific strategies, plans, toolkits or guidance. For example, Estonia produces annual inter-ministerial action plans to build resilience to information attacks, and the UK government developed the RESIST Toolkit to help communicators and relevant officials to identify and react to problematic content. Only 4 out of 18 ministries of health (MHs) had adopted similar documents or benefited from government-wide ones in 2019. This may have left them less prepared for the wave of health misinformation during the pandemic (Figure 4.8).

The complex challenges posed by mis- and disinformation require multi-disciplinary responses. To that end, 19 out of 24 CoGs (79%) in OECD countries, plus Costa Rica, have consulted with stakeholders such as media, civil society, academia, inter-governmental organisations and tech companies on countering disinformation. CoGs most frequently consult stakeholders in academic or research organisations. A smaller proportion of MHs (8 out of 17, or 47%) OECD countries, plus Romania, consulted with at least one of these stakeholders (Table 4.9).

Methodology and definitions

Data were collected from CoGs in 27 OECD countries, plus Brazil, Costa Rica and Romania, and from MHs in 18 OECD countries, plus Romania, through the OECD 2020 survey on Understanding Public Communication in Centres of Government, which covered the year 2019. Respondents were senior officials in charge of communication at the centre of government, i.e. the bodies that provide direct support and advice to heads of government and councils of ministers, and in ministries of health.

Public communication is understood as any communication activity led by public institutions for the public good. It is distinct from political communication, which refers to political parties, debates or elections.

Disinformation is the deliberate creation and/or sharing of false information with the intention to deceive and mislead the audience.

Misinformation refers to false information that is shared, but where no harm is meant; this could include unintended mistakes, typos, errors or satire taken seriously, but increasingly involves the sharing of unverified, misleading content linked to disinformation campaigns.

Further reading

Matasick, C., C. Alfonsi and A. Bellantoni (2020), "Governance responses to disinformation: How open government principles can inform policy options", *OECD Working Papers on Public Governance*, No. 39, OECD Publishing, Paris, *https://doi.org/10.1787/d6237c85-en*.

OECD (2020), "Transparency, communication and trust: The role of public communication in responding to the wave of disinformation about the new Coronavirus", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/bef7ad6e-en*.

Wardle, C. and H. Derakshan (2017), Information Disorder: Towards an Interdisciplinary Framework for Research and Policy Making, Council of Europe, DGI(2017)09.

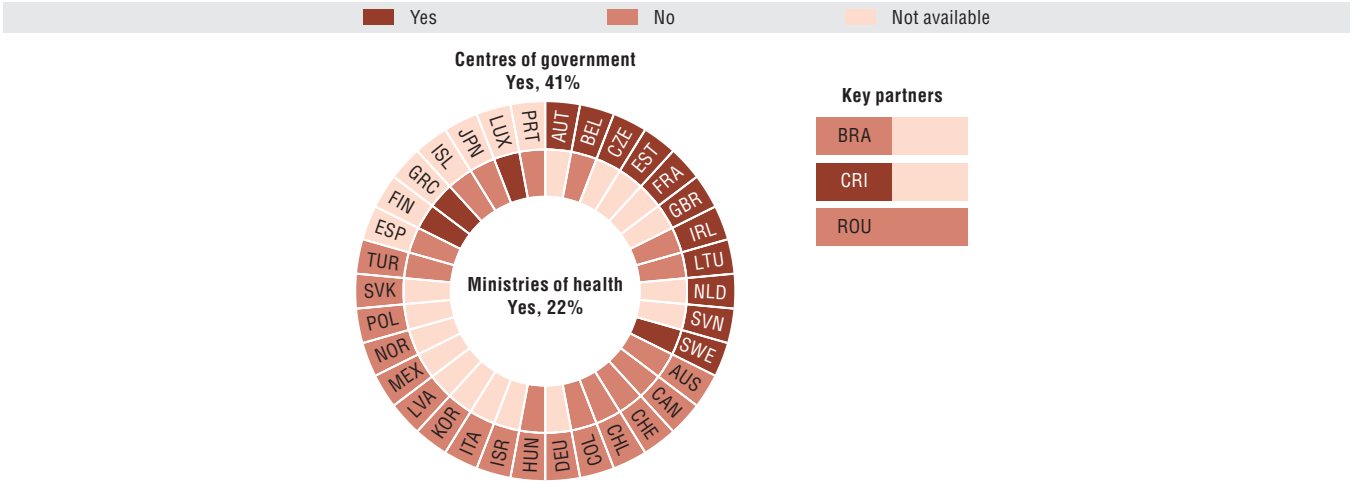
Figure notes

Finland, Greece, Iceland, Japan, Luxembourg, Portugal and Spain provided data for MHs but not CoGs. Austria, the Czech Republic, Estonia, France, Germany, Israel, Italy, Korea, Latvia, Mexico, the Netherlands, Norway, Poland, Slovakia, Slovenia and the United Kingdom provided data for CoGs but not MHs.

4.8. The outer ring shows the data for CoGs and the inner ring the data for MHs.

4.9. This question was not applicable to CoGs in Australia, Germany and the Netherlands or to the MH in Iceland. Other responses included international forums and social media companies.

4.8. Availability of guiding documents for governments' responses to disinformation, 2019



Source: OECD (2020), *Survey on Understanding Public Communication in Centres of Government*.

StatLink https://doi.org/10.1787/888934257755

4.9. Stakeholders consulted by centres of government and ministries of health on the issue of countering disinformation, 2019

Country	Academic or research organisations	International donors	Media organisations	Civil society organisations	Other	Does not engage with any of these actors
Australia					■	■
Austria	●		●	●		
Belgium	●		●		■	
Canada	●■		●■	●	●■	
Chile	●	●		●		■
Colombia			●			■
Czech Republic	●			●		
Estonia	●	●	●	●		
Finland						■
France	●		●	●		
Greece	■					
Hungary	●					■
Ireland	●		●	●	●■	
Israel	●		●	●		
Italy						●
Japan						■
Korea	●	●	●	●		
Latvia	●		●	●		
Lithuania	●		●	●	■	
Luxembourg						■
Mexico						●
Norway						●
Poland						●
Portugal	■		■	■		
Slovakia	●			●	●	
Slovenia	●					
Spain					■	
Sweden						●■
Switzerland					●	■
Turkey	●■	■	●■	●■		
United Kingdom	●		●	●		
OECD Total						
● Centres of Government	17	3	13	14	4	5
■ Ministries of Health	4	1	3	2	5	9
Brazil						●
Costa Rica	●		●		●	
Romania			■	■		●

Source: OECD (2020), *Survey on Understanding Public Communication in Centres of Government*.

StatLink https://doi.org/10.1787/888934257774

5. BUDGETING

Green budgeting

The emergence of "green budgeting" in recent years reflects the importance countries have placed on using the budget process to support the achievement of environmental and climate objectives. Climate change, biodiversity loss and environmental degradation are having a profound impact on our planet, society and global economy. In response, countries have set national goals and made global commitments to protect the environment and mitigate climate change. As budgets play a core role in prioritising and resourcing government action, they can have significant impact on progress towards these objectives. The OECD plays a leading role in green budgeting by helping countries to use budgetary tools to provide policy makers with a clearer understanding of the environmental and climate impact of budget choices.

Green budgeting uses four key mutually reinforcing building blocks: 1) a strong strategic framework; 2) tools for evidence generation and policy coherence; 3) reporting to facilitate accountability and transparency; and 4) an enabling budgetary governance framework (OECD, 2020a). Its implementation involves having national climate change and environmental strategies, budgeting tools such as green budget tagging, the use of green budget statements to inform relevant stakeholders, and a modern budget framework linking strategic planning and budgeting. In 2020, 14 out of 35 OECD countries (40%) reported practising green budgeting (Figure 5.1). This includes countries with longstanding practice such as Italy (since 2000), as well as newcomers such as France, where the first comprehensive green budget (*Rapport sur le budget vert*) was presented in 2020.

Half of those countries practising green budgeting underpin their strategic framework with high-level political commitment or a budget law (7 out of 14 countries in both cases, 50%), and slightly fewer through administrative practice (6 out of 14, 43%), all of which are effective approaches to green budgeting. OECD countries typically use a variety of green budgeting tools and approaches (Table 5.2). The four most commonly reported tools include *ex ante* or *ex post* environmental impact assessments (12 out of the 14 countries, 86%), environmental cost-benefit analysis (10 out of 14, 71%), carbon assessments (10 out of 14, 71%) and carbon pricing instruments (9 out of 14, 64%). Most countries practising green budgeting also have ways to communicate information to the wider public (12 out of 14, 86%).

Country efforts have been sustained through an enabling budgetary governance environment to ensure consistent analysis across all parts of the government in pursuit of green objectives. Within the OECD, 7 out of the 14 countries practising green budgeting have supported their efforts with detailed instructions in the annual budget circular (50%), 6 with training and skills development (43%), and 5 with co-ordination mechanisms across government agencies (35%) (Figure 5.3). The OECD Paris Collaborative initiative continues to drive innovative approaches as more countries consider adopting green budgeting.

Methodology and definitions

Data are drawn from the 2020 OECD and European Commission Joint Survey on Emerging Green Budgeting Practices, encompassing responses from 35 OECD countries and Romania. Respondents were predominantly budget officials within central budget authorities in OECD countries. Responses represent the country's own assessment of current practices and procedures. Data refer mainly to central/federal governments and exclude the sub-national level. For the purpose of standardisation and consistency, the survey considered existing practices or planned as of end-June 2020. The full dataset also includes other member states of the European Union, which are not shown here.

Green budgeting refers to the use of budgetary policy-making tools helping to achieve environmental and climate goals. This includes evaluating the environmental impact of budgetary and fiscal policies and assessing their coherence towards the delivery of national and international commitments. Green budgeting can also contribute to informed, evidence-based debate and discussion on sustainable growth.

Green budget tagging encompasses any budget tagging practice that comprehensively reviews and identifies budget measures relating to climate and/or other environmental objectives, such as biodiversity, air and water challenges (quantity and quality), among others.

Further reading

OECD (2020a), *OECD Green Budgeting Framework (Highlights)*, OECD, *www.oecd.org/environment/green-budgeting/OECD-Green-Budgeting-Framework-Highlights.pdf*.

OECD (2020b), "Green budgeting and tax policy tools to support a green recovery", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/bd02ea23-en*.

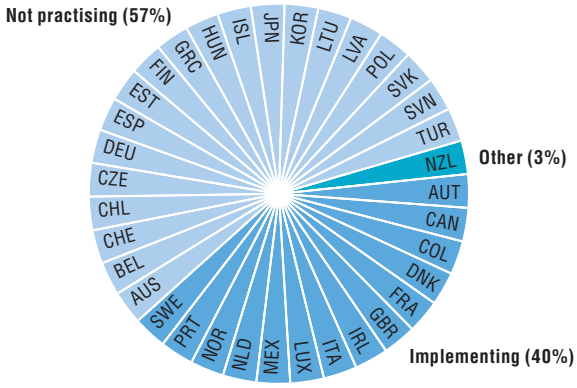
OECD (2021), *Green Budget Tagging: Introductory Guidance & Principles*, OECD Publishing, Paris, *https://doi.org/10.1787/fe7bfcc4-en*.

Figure notes

5.1, 5.2 and 5.3. Data for Israel and the United States are not available. Romania does not practise any form of green budgeting.

5.1. New Zealand is listed as "other", as the environment is categorised as natural capital in its "wellbeing budgeting" approach. Finland uses a lighter form of green budget tagging where only specific budgetary programmes contributing to green objectives were reviewed and identified. For standardisation and consistency, the survey only included instances where reviews were comprehensive across all areas of the budget. As Finland only reported green budget tagging as its main tool, it was not categorised as practising green budgeting.

5.1. Existence of green budgeting practices, 2020



Source: OECD and EC (2020), *Joint Survey on Emerging Green Budgeting Practices*.

StatLink https://doi.org/10.1787/888934257793

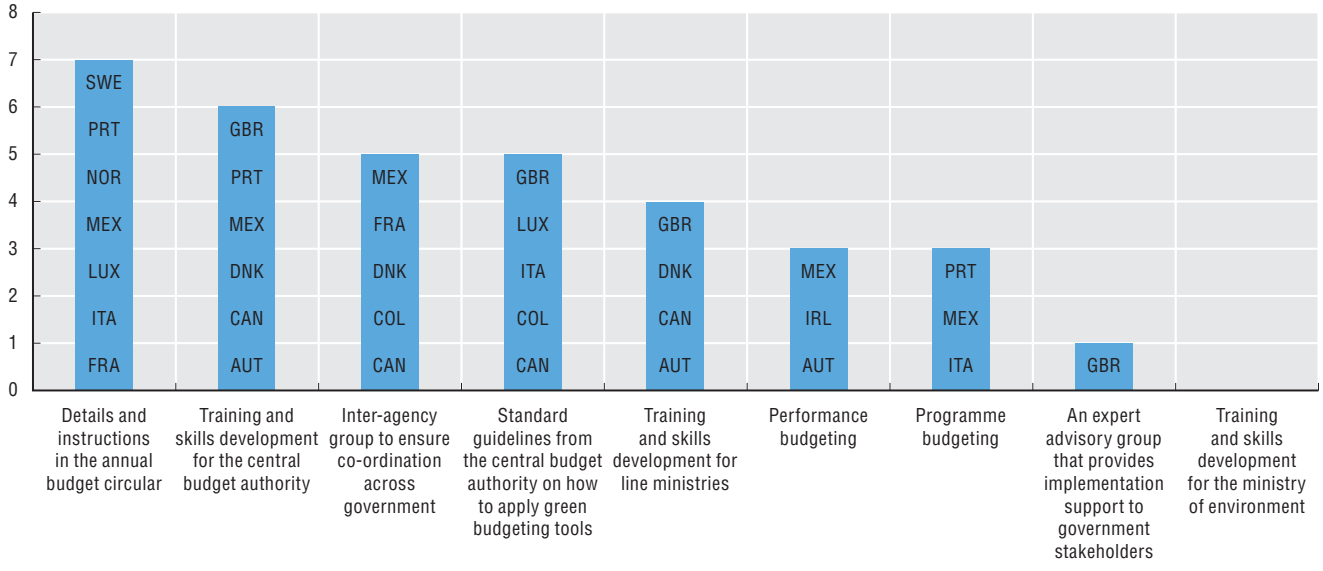
5.2. Commonly used tools by countries practising green budgeting, 2020

Country	*Ex ante* or *ex post* environmental impact assessments (individual measures)	Environmental cost-benefit analysis (individual or all measures)	Carbon assessments	Carbon pricing instruments (including fuel and carbon taxation, emissions trading systems)	Environmental tax reform	*Ex ante* or *ex post* green budget tagging
Austria	●		●			
Canada	●	●		●		
Colombia	●	●	●	●	●	●
Denmark	●	●	●		●	
France	●	●	●	●		●
Ireland	●	●	●	●	●	●
Italy	●	●	●			●
Luxembourg						●
Mexico						●
Netherlands	●	●	●	●	●	
Norway	●	●	●	●	●	●
Portugal	●			●	●	
Sweden	●	●	●	●	●	
United Kingdom	●	●	●	●	●	
OECD Total						
● Yes	12	10	10	9	8	7

Source: OECD and EC (2020), *Joint Survey on Emerging Green Budgeting Practices*.

StatLink https://doi.org/10.1787/888934257812

5.3. Elements supporting the implementation of green budgeting, 2020



Source: OECD and EC (2020), *Joint Survey on Emerging Green Budgeting Practices*.

StatLink https://doi.org/10.1787/888934257831

Green budgeting to support a green recovery

The COVID-19 pandemic has led governments to take unprecedented fiscal policy action as an immediate emergency response to support public services, households and businesses. Existing challenges from climate change and environmental degradation have mobilised governments to address national and international green objectives in the recovery period. These recovery packages can help increase resilience to future shocks and reduce risks, including those related to climate change, while also helping to finance the extraordinary expenditure associated with recovery from the pandemic through cost-effective approaches and investments.

Green budgeting can help facilitating the design and implementation of green recovery packages. A recent joint OECD-EC survey found 21 out of 34 OECD countries (62%) had taken actions to integrate green perspectives into recent COVID-19 rescue measures (Figure 5.4). The most commonly adopted measures are environmental impact assessment of budget measures (8 out of 21, 38%), green budget tagging (6 out of 21, 29%), attaching green conditionality to the use of recovery funds (5 out of 21, 24%), and publishing a green budget statement to show how the recovery package supports national green objectives (1 out of 21, 5%) (Table 5.5). Looking ahead, by June 2020 a majority of the OECD countries responding (24 out of 35, 69%) were planning actions to integrate green perspectives into their forthcoming recovery packages, ranging from plans to use environmental impact assessments to attaching green conditionality to support measures and providing support for sub-national governments to practise green budgeting.

Green public spending can support the recovery, but there may be trade-offs between environmental, economic and social goals. Even recovery packages with a large green component commonly also include a substantial share of traditional spending to address other social and economic priorities. Carbon pricing and related tax policy tools can ensure that stimulus policies that are not explicitly green are nevertheless aligned with green objectives. By increasing the cost of carbon-intensive assets, carbon pricing will steer investment and consumption towards low-carbon alternatives while still serving as a tool to restore public finances and augment tax revenues (OECD, 2020).

As countries look to a green recovery, well-communicated spending and tax policy choices that look at the long-run benefits for wellbeing, environmental protection and resilience to climate and future shocks can serve to raise greater public awareness and support for a green transition (OECD, 2020).

Methodology and definitions

Data are drawn from the 2020 OECD and European Commission Joint Survey on Emerging Green Budgeting Practices, encompassing responses from 35 OECD countries and Romania. Respondents were predominantly budget officials within central budget authorities. Responses represent the country's own assessment of current practices and procedures. Data refer mainly to central/federal governments and exclude the sub-national level. For the purpose of standardisation and consistency, the survey considered existing practices or planned as of end-June 2020. The full dataset also includes other member states of the European Union, which are not shown here.

Green budgeting refers to the use of budgetary policy-making tools helping to achieve environmental and climate goals. This includes evaluating the environmental impact of budgetary and fiscal policies and assessing their coherence towards the delivery of national and international commitments. Green budgeting can also contribute to informed, evidence-based debate and discussion on sustainable growth.

Further reading

OECD (2020), "Green budgeting and tax policy tools to support a green recovery", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/bd02ea23-en*.

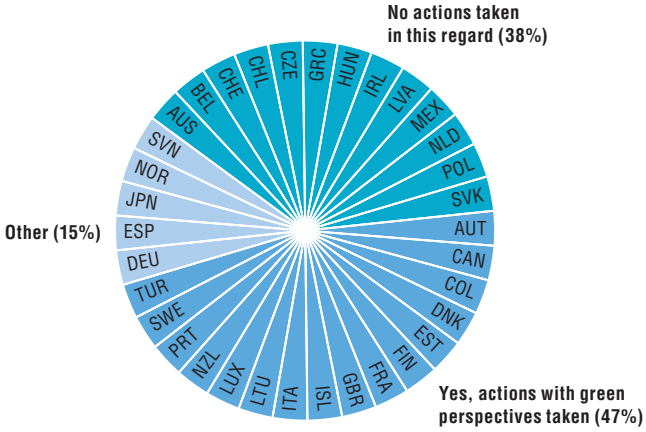
Figure notes

5.4 and 5.5. Data for Israel, Korea and the United States are not available. Romania has not taken actions to integrate green perspectives into COVID-19 measures.

5.4. Main reasons not to integrate green perspectives into early COVID-19 recovery measures were to focus on other areas such as containing the virus and supporting the health system, economy, and vulnerable businesses and individuals. Under "other", in Germany, the recovery includes measures to facilitate structural transformation of the automotive industry and future-proof value chains; in Japan, efforts included environmentally responsive measures such as solar power generation facilities and high-performance ventilation equipment in public places; in Norway, relevant government actions undergo consideration of environmental consequences; in Slovenia, the government has prepared the recovery plan to include green transition into its growth strategy; in Spain, the Ministry of Ecological Transition has promoted a series of measures directly related to COVID-19 (e.g. sanitary waste management).

5.5. Based on countries that integrate green perspectives into COVID-19 recovery measures or other type of strategy. Under "other", in Iceland, projects under the country's Covid Investment Initiative included investments in energy transition, green solutions and environmental issues; in Finland, emphasis was given to measures that addressed the government's carbon neutrality goal; in Portugal, the Economic and Social Stabilization Programme considered environmental measures such as forestry management as well as work on sustainable buildings, hydrographic network and sustainable mobility.

5.4. Actions taken to integrate green perspectives into COVID-19 recovery measures, as of end-June 2020



Source: OECD and EC (2020), *Joint Survey on Emerging Green Budgeting Practices*.

StatLink https://doi.org/10.1787/888934257850

5.5. Use of green budgeting tools in the recovery, as of end-June 2020

Country	Ex ante Environmental Impact Assessments	Green Budget Tagging	Green conditionality	Ex post audit on support for national cliamte and environmental objectives	Published statement on how package supports green objectives	Training or capacity building	Support for subnational governments	Other
Austria	●							
Canada	●		●					
Colombia	●	●					●	
Denmark	●							
Estonia		●						
Finland		●						●
France	●	●	●		●			
Germany								●
Iceland		●						●
Italy			●					
Japan								●
Lithuania				●				
Luxembourg		●						
New Zealand	●							
Norway								●
Portugal						●		●
Slovenia								●
Spain								●
Sweden			●					
Turkey	●							
United Kingdom	●		●					
OECD Total								
● Yes	8	6	5	1	1	1	1	8

Source: OECD and EC (2020), *Joint Survey on Emerging Green Budgeting Practices*.

StatLink https://doi.org/10.1787/888934257869

Spending reviews

In the aftermath of the global financial crisis, the use of spending reviews has increased considerably among OECD countries (OECD, 2019). The OECD has found that spending reviews have proved to be an important tool for governments, not only to control total expenditure by making space for more resources, but also to align spending allocations with government priorities and to improve the effectiveness of policies and programmes.

In 2020, 31 out of 37 OECD countries (84%) report conducting spending reviews, of which 20 (65%) do so annually and 11 (35%) periodically (Figure 5.6). According to the latest available information, a further four countries are considering using spending reviews in the future (Belgium, the Czech Republic, Switzerland and Turkey). Only Hungary and Slovenia have no plans to conduct them. The number of countries using spending reviews has almost doubled since 2011, when only 16 OECD countries were conducting them (OECD, 2019). Between 2018 and 2020 the pace of increase has been slower (three additional countries, including two new OECD countries).

Spending reviews can have different objectives depending on the ultimate goal that governments are trying to achieve. In 2020, 29 out of the 31 OECD countries using spending reviews (94%) indicated improving effectiveness was a key purpose, compared to 71% in 2018 (OECD, 2019). While previously 79% of countries used spending reviews for short-term cuts and/or to improve medium-term spending efficiency, 20 out of 31 (65%) countries now report controlling total expenditure as an objective (Figure 5.7). This change in objectives highlights the flexible and adaptable nature of spending reviews, and shows how the initial use of spending reviews to identify savings has evolved.

Political ownership and commitment is crucial to the effectiveness of spending reviews, both to ensure co-operation across government throughout the process, and to take decisions on the objectives and scope of reviews and the recommendations to adopt. In most countries, there is high-level political involvement in these key decisions. In 15 out of 31 (48%) OECD countries using spending reviews, the cabinet, president or prime minister approves the spending review topics and in 12 out of 31 (39%) makes the final decision on the spending review report. Otherwise, in 8 out of 31 countries (26%), it is the finance minister, alone or jointly with a line minister, who is largely responsible for both approving spending review topics and the final decision on the report (Online Table G.28). Approval of the terms of reference (ToRs) is a less political decision, taken by the steering group or the spending review unit in nine OECD countries.

Methodology and definitions

Data are derived from the 2020 OECD Spending Review Survey. Respondents were predominantly senior budget officials in OECD countries. Responses were received from all 37 OECD countries, Costa Rica and Romania. They represent the countries' own assessments of current practices and procedures. Data refer only to central/federal governments and exclude spending reviews at the sub-national levels.

Spending reviews are a collaborative process of developing and adopting policy options by analysing the government's existing expenditure within defined areas, and linking these options to the budget process. The purposes of a spending review are to 1) enable the government to manage the total level of expenditure; 2) align expenditure with government priorities; and 3) improve effectiveness within programmes and policies. The terms of reference (ToRs) will differ but typically include standard elements such as context, objectives, governance, scope, preparation of guidance and reference materials, access to information, deliverables, budgets, and timetable and milestones.

Further reading

OECD (forthcoming), *OECD Best Practices for Spending Reviews*.

OECD (2019), *Budgeting and Public Expenditures in OECD Countries 2019*, OECD Publishing, Paris. *https://doi.org/10.1787/9789264307957-en*.

EC (2020), "Spending reviews: Some insights from practitioners", *Discussion Paper* No. 135, European Commission, Brussels, *https://ec.europa.eu/info/publications/spending-reviews-some-insights-practitioners_en*.

Figure notes

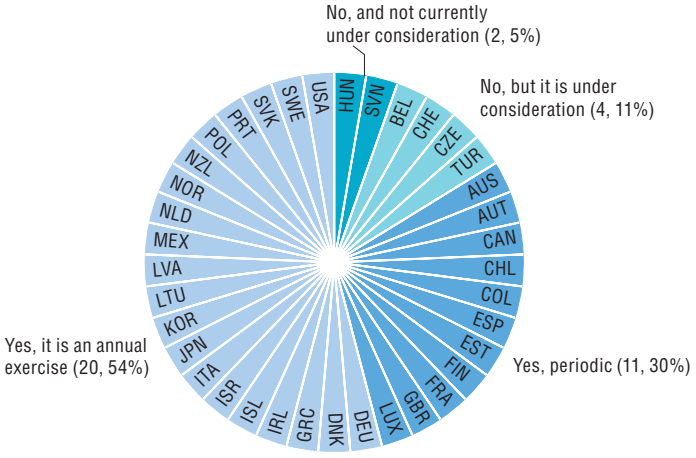
5.6 and 5.7 and G.28. Hungary and Slovenia do not conduct spending reviews and have no current plans to do so. Belgium, the Czech Republic, Costa Rica, Switzerland and Turkey do not conduct spending reviews but are considering it. Belgium started to implement pilot spending reviews in March 2021.

5.6. Romania conducts spending reviews, but not every year.

5.7. Romania's main objectives are to control the level of total expenditure, align expenditure with government priorities and improve effectiveness within programmes and policies.

Table G.28. (Main responsible actors for decision making, 2020) is available online in Annex G.

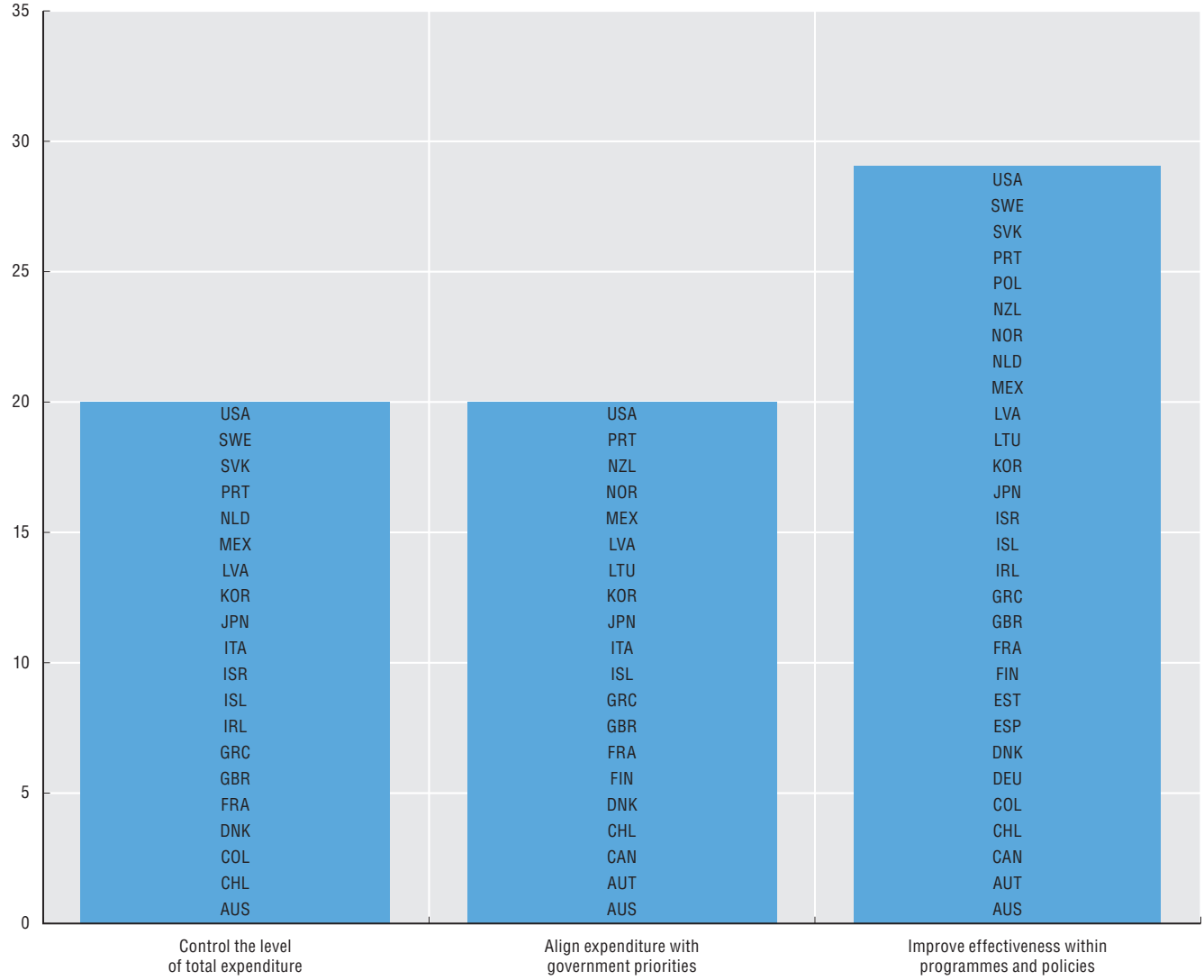
5.6. Number of countries conducting spending reviews, 2020



Source: OECD (2020), *Spending Review Survey*.

StatLink https://doi.org/10.1787/888934257888

5.7. Main objectives of spending reviews over the previous three years, 2020



Source: OECD (2020), *Spending Review Survey*.

StatLink https://doi.org/10.1787/888934257907

Independent fiscal institutions: Promoting transparency and accountability early in the COVID-19 crisis

For many OECD countries, the scale of emergency spending to support households and businesses early in the pandemic was the largest in peacetime history. At the same time, national legislatures, which would normally be responsible for scrutinising fiscal responses, faced operational constraints and health-related shutdowns, with some governments enacting emergency protocols to bypass them completely. Independent fiscal institutions (IFIs) stepped up to provide vital analysis for policy makers and those who hold them accountable, playing a crucial role in supporting sound fiscal policy in the face of these challenges. For many IFIs, most of which were established following the global financial crisis, this was their first real test.

IFIs in the OECD's Network of Parliamentary Budget Officials and Independent Fiscal Institutions took three main actions during the early months of the crisis (Table 5.8). First, 33 of the 35 national IFIs in the network (94%) published rapid analyses of the economic and budgetary impact of the pandemic. This included independent checks of government planning assumptions (22 out of 35, 63%), drafting self-initiated briefing notes (21 out of 35, 60%), preparing economic and fiscal scenario analyses (17 out of 35, 49%), updating forecasts of the economy and public finances in real time (14 out of 35, 40%), and fulfilling requests for analysis from committees and individual legislators (10 out of 35, 29%). In many cases, IFIs were the only source of analysis, with governments either focused on fast responses or reluctant to publish analyses given the uncertainty of a rapidly evolving situation. Second, 16 out of 35 (46%) IFIs in the OECD's network have a role in monitoring or authorising the activation of escape clauses to suspend fiscal rules. By mid-May, they had made public pronouncements on escape clauses to allow flexible responses to the pandemic. Third, IFIs also have a role in costing emergency legislation, either in an official capacity, upon request by legislators, or as self-initiated scrutiny of official figures. All IFIs in the network with such a role (14 out of 35, 40%) performed it during the first months of the crisis to help governments and legislatures come to terms with the magnitude of policy responses.

In addition to these activities, all the IFIs fulfilled their main responsibility of promoting transparency and accountability throughout the crisis. They supported legislatures by calling attention to executive overreach and urging them to find digital ways to hold committee meetings. They also drew attention to missing information in government plans and in some cases went as far as publishing their own interactive summaries of government announcements where governments had failed to do so (OECD, 2020a).

As governments start introducing policies to repair their battered economies and return their budgets to their medium-term strategic objectives, IFIs will continue to play a critical role in supporting the policy debate, identifying risks to the public finances and assisting governments and legislatures in their efforts to keep public finances on a sustainable path.

Methodology and definitions

The data were collected by desk research from March to 20 May 2020 and verified through the OECD's Network of Parliamentary Budget Officials and Independent Fiscal Institutions. The dataset includes 35 national-level institutions representing all 29 OECD countries in the network, along with Brazil (as a key partner of the OECD with an IFI) and the European Fiscal Board (the IFI of the European Commission). Several countries divide responsibilities between two institutions (Austria, Belgium, Finland, Greece, Ireland and the Netherlands). The full dataset also includes sub-national IFIs, which are excluded here.

IFIs provide non-partisan oversight and analysis of fiscal policy and budget performance. They include fiscal councils, fiscal planning bureaus and parliamentary budget offices that have been established with a high degree of operational independence from the executive and legislature.

Further reading

OECD (2020a), "Independent fiscal institutions: Promoting fiscal transparency and accountability during the Coronavirus (COVID-19) pandemic", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/d853f8be-en*.

OECD (2020b), "Legislative budget oversight of emergency responses: Experiences during the coronavirus (COVID-19) pandemic", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/ba4f2ab5-en*.

Figure notes

5.8. Brazil's IFI and the European Fiscal Board, an independent advisory body of the European Commission, are shown in the table but are not included in the totals. The following IFIs reported work was underway but not yet published as of 20 May 2020: Germany (assessments of government planning assumptions); Australia and Portugal (economic and fiscal scenario analysis); Greece's Council and Portugal (economic and fiscal forecasts in real time); and Germany and Iceland (monitoring activation and implementation of escape clauses).

5.8. IFI actions during the early months of the COVID-19 crisis, up to 20 May 2020

	Providing rapid analysis						
	Assessments of government planning assumptions	Self-initiated briefing notes	Economic and fiscal scenario analysis	Economic and fiscal forecasts in real time	Requests from committees/ legislators	Monitoring activation and implementation of escape clauses	Costing emergency legislation
Australia		✔			✔		
Austria – Council	✔	✔	✔	✔		✔	✔
Austria – PBO	✔	✔	✔	✔			✔
Belgium – Council	✔					✔	
Belgium – Planning Bureau		✔	✔	✔			
Canada	✔	✔	✔		✔		✔
Chile	✔	✔	✔	✔			
Czech		✔	✔			✔	✔
Denmark		✔	✔	✔			
Estonia	✔						
Finland – Audit Office	✔	✔			✔	✔	
Finland – Council	✔						
France	✔					✔	
Germany							
Greece – PBO			✔	✔			✔
Greece – Council	✔	✔	✔			✔	
Hungary	✔					✔	
Iceland					✔		
Ireland – Council	✔		✔			✔	
Ireland – PBO		✔			✔		✔
Italy	✔	✔	✔	✔	✔	✔	✔
Korea	✔	✔	✔	✔	✔		✔
Latvia	✔	✔			✔	✔	
Lithuania	✔			✔		✔	
Luxembourg							
Mexico		✔			✔		✔
Netherlands – Planning Bureau		✔	✔	✔			✔
Netherlands – Council	✔						
Portugal	✔	✔				✔	
Slovak		✔	✔	✔		✔	✔
Slovenia	✔		✔			✔	✔
Spain	✔	✔	✔	✔		✔	
Sweden	✔						
UK	✔	✔	✔	✔		✔	✔
US		✔		✔	✔		✔
OECD IFIs Total	22	21	17	14	10	16	14
Brazil		✔	✔	✔	✔	✔	✔
European Fiscal Board		✔					

Source: OECD (2020), "Independent fiscal institutions: Promoting fiscal transparency and accountability during the Coronavirus (COVID-19) pandemic", *https://doi.org/10.1787/d853f8be-en*.

StatLink https://doi.org/10.1787/888934257926

6. HUMAN RESOURCES MANAGEMENT

Attracting and recruiting public servants

Management of senior level public servants

Diversity and inclusion in the public service

People management responses to the COVID-19 pandemic in the public service

Measuring employee engagement

Attracting and recruiting public servants

Governments need to attract and recruit staff with an increasingly diverse range of skills to keep pace with today's policy and service delivery challenges. Some of these skillsets are in traditional fields like law or accounting; others are in still-emerging fields, such as data science or user experience design. Governments are in competition with the private sector for these skills, so they try to reach a wider range of candidates and improve the diversity and quality of the candidate pool.

The OECD has developed a new composite indicator on the use of proactive practices to recruit candidates with the skills needed (Figure 6.1). The tools included help employers understand what motivates candidates to apply for a public service position, and thus position themselves as an employer of choice through a variety of communication channels. It also considers their ability to match market wages. Canada, Korea and New Zealand make the widest use of these tools. New Zealand, for example, has an employment portal for government jobs emphasising the values of a diverse public service and explaining the variety of opportunities available. Countries like the Slovak Republic, Slovenia and Turkey may be more constrained by employment systems that do not permit pay flexibility, or use relatively few communication channels.

Governments also need to be able to assess candidates' complex cognitive, social and emotional skills. These are increasingly essential in fast-changing organisations. Table 6.2 shows that 19 out of 32 OECD countries (59%) test for analytical/cognitive competences during standardised testing and 20 (62%) do so using interviews. Behavioural competences are tested through interviews in 24 (75%) OECD countries. However, only 13 (41% of total) test cognitive or behavioural competences using more structured assessment centres which may allow for a more detailed examination in practice. Finally, 26 (81%) OECD countries test candidates' motivation to join the public sector during the interview stage, but only 8 (25%) countries use assessment centres (Table 6.2).

Attraction and recruitment go hand in hand: governments can no longer wait for candidates to come to them. Leading countries actively identify their target candidates and design specific strategies to reach them. This may be harder in closed career-based systems that privilege standardised testing. Increasingly specialised methods for assessing hard-to-assess competences can give public sector recruiters more scope to identify candidates able to perform in complex and uncertain environments. This in turn suggests the need to professionalise recruitment and provide skills development for those involved in selection processes.

Methodology and definitions

Data were collected through the attraction and retention, and recruitment modules of the 2020 Public Service Leadership and Capability survey. Most respondents were senior officials in central government human resource management (HRM) departments, and the data refer to HRM practices in central government. The survey was completed by all OECD countries except Chile and Iceland, one OECD accession country (Costa Rica), and Brazil and Romania. There are considerable variations in the definition of the civil service as well as the organisations at central government level. Public servants are defined as all government employees who work in the public service, who may be employed through various contractual mechanisms (e.g. civil servant statutes, collective agreements or labour law contracts), on indeterminate or fixed-term employment contracts, but not normally including employees in the wider public sector who are usually regulated under alternative employment frameworks (e.g. most doctors, teachers, police, the military, the judiciary or elected officials). Behavioural competences are personality traits which have been used to predict workplace behaviour with varying reliability depending on the measures.

The composite indicator is made up of the following aspects of employer attractiveness: 1) elements highlighted in recruitment material; 2) policies to attract more and better candidates with in-demand skills; 3) the use of methods to determine what attracts skilled employees; 4) adequate pay systems to attract good candidates; and 5) having actions in place to improve the representation of under-represented groups. The index ranges from 0 (no use of proactive recruitment practices) to 1 (high level of use of proactive recruitment practices). Further details on the composite index are available in Annex E. The variables comprising the index and their relative importance are based on expert judgements. They are presented with the purpose of constructing a pilot index, and so may evolve. Missing data for countries were estimated by mean replacement.

Further reading

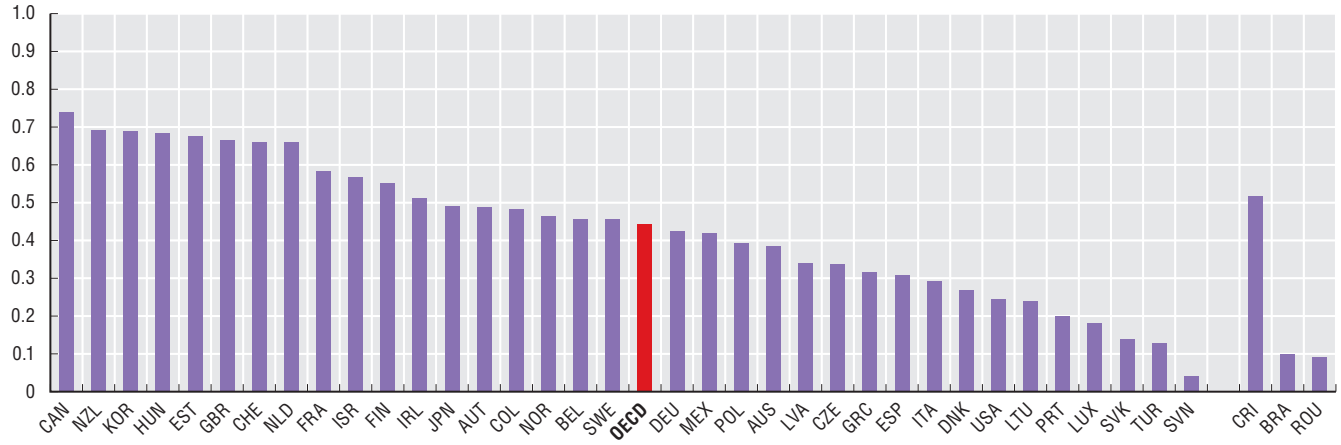
OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

Figure notes

Data for Chile and Iceland are not available.

6.2. Japan is not included as recruitment criteria are evaluated with different tools depending on the type of examination. Denmark is not included because of the lack of common processes in the central administration. Australia is not included because each agency decides on its recruitment procedures.

6.1. Pilot index: Use of proactive recruitment practices, 2020



Source: OECD (2020), *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934257945

6.2. Assessing cognitive and behavioural competences and motivation during recruitment, 2020

	CV screening	Standard exams	Interviews	Assessment centre	Reference check
Austria	◆❖		◆❖		
Belgium		■◆	◆❖	◆	
Canada	■◆❖	■◆❖	■◆❖	■◆❖	■◆❖
Colombia		■◆❖	■◆❖		
Czech Republic			■❖		
Estonia		■			◆❖
Finland	■		■◆❖		
France	■❖	■	■		
Germany			■◆❖	■◆❖	
Greece					
Hungary	❖		■◆❖	■◆	
Ireland		■	◆❖	■◆	
Israel		■◆❖	◆❖	■◆❖	
Italy		■			
Korea		■	■◆❖	■◆❖	
Latvia	❖	■	■◆❖	■◆	◆
Lithuania			■◆❖		
Luxembourg		■	◆❖		
Mexico	◆	■◆	■◆❖		
Netherlands	■◆		■◆❖	■	
New Zealand	❖		◆❖	■◆❖	◆❖
Norway			◆❖	◆❖	◆❖
Poland		■	■◆❖	■◆❖	
Portugal			■◆❖		
Slovak Republic		■	■◆❖	■◆	
Slovenia			■◆❖		
Spain		■		■	
Sweden	◆	■	■❖		◆
Switzerland	❖		■◆❖		
Turkey		■	◆❖		
United Kingdom	◆❖	■◆	■◆❖	■◆❖	
United States		■◆	■		
OECD Total					
■ Analytical/cognitive competences	4	19	20	13	1
◆ Behavioural competences	6	7	24	13	6
❖ Motivation	8	3	26	8	4
Brazil		■			
Costa Rica	■◆❖				■◆❖
Romania			◆❖		

Source: OECD (2020), *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934257964

Management of senior level public servants

Public service leaders – senior level public servants who lead and improve major government functions – are at the heart of government effectiveness. They translate political direction into the policies and programmes that keep citizens healthy, safe, and economically productive. They have to make space for innovation while managing risk and being accountable for results, support fast-moving political agendas, manage and transform vast public organisations, motivate and inspire their workforces, and be trusted partners to citizens and an ever-growing list of partners and stakeholders. All of this while promoting the highest level of personal and professional ethics and integrity. These challenges are made more acute in a context of increasingly fast-paced and disruptive change, illustrated most recently by the COVID-19 pandemic. This is why OECD countries use a range of policies to ensure senior level public servants have the skills and operating environments they need to be effective in their jobs.

The OECD recently developed an analytical model that identifies two sets of policies needed to manage senior level public servants: developing leadership capabilities, and managing performance and accountability (Gerson, 2020), captured in a pilot index. Canada, Israel, Korea and the United Kingdom are the four countries that make the most use of these policies overall. For example, Korea's competence assessment centre for senior level public servants helps to ensure that the leadership group is ready to take on complex policy challenges. Policies to develop leadership capabilities include defining leadership capabilities through competence frameworks, hiring people with these competences, and providing leaders with opportunities to learn and develop them. Canada, France, Ireland, the Netherlands and the United Kingdom are the countries making the most use of such policies. Policies to manage performance and accountability for results include the use of robust performance management systems and accountability frameworks. In this area Canada, Italy, Korea, Mexico and the United Kingdom have the highest scores (Figure 6.3).

Table 6.4 presents the specific ways in which the employment framework for senior level public servants differs from that of other public servants. The most common elements are a more centralised recruitment system and less job security (in 21 out of 34 OECD countries each, or 62%); a greater emphasis on avoiding conflicts of interest and on performance management (17 out of 34 OECD countries each, or 50%). One path to strengthening the senior level public service in many countries may be to develop a pipeline of future leaders within the public service. Investing in this area, through holistic talent management programmes that build skills among high-potential middle managers can help to ensure a ready pool of talent for these positions. However, only Canada and the United Kingdom make use of talent management to identify future senior level public servants early in their careers.

Methodology and definitions

Data were collected through the leadership module of the 2020 Public Service Leadership and Capability survey. Most respondents were senior officials in central government HRM departments, and the data refer to HRM practices in central government. The survey was completed by all OECD countries except Chile and Iceland, one OECD accession country (Costa Rica), and Brazil and Romania. For this survey, public servants are defined as all government employees who work in the public service, who may be employed through various contractual mechanisms (e.g. civil servant statutes, collective agreements or labour law contracts), on indeterminate or fixed-term employment contracts, but not normally including employees in the wider public sector who are usually regulated under alternative employment frameworks (e.g. most doctors, teachers, police, the military, the judiciary or elected officials). For definitions of the senior occupation levels please refer to Annex D.

The composite indicator is made up of the following dimensions of senior level public service management: 1) the development of leadership capabilities; and 2) the use of performance and accountability tools. Each dimension is built from answers to several related questions. The index ranges from 0 (no policies to manage the senior level public service) to 1 (high level of use of policies to manage the senior level public service). Further details on the composite index are available in Annex E. The variables comprising the index and their relative importance are based on expert judgements. They are presented with the purpose of constructing a pilot index, and so may evolve. Missing data for countries were estimated by mean replacement.

Further reading

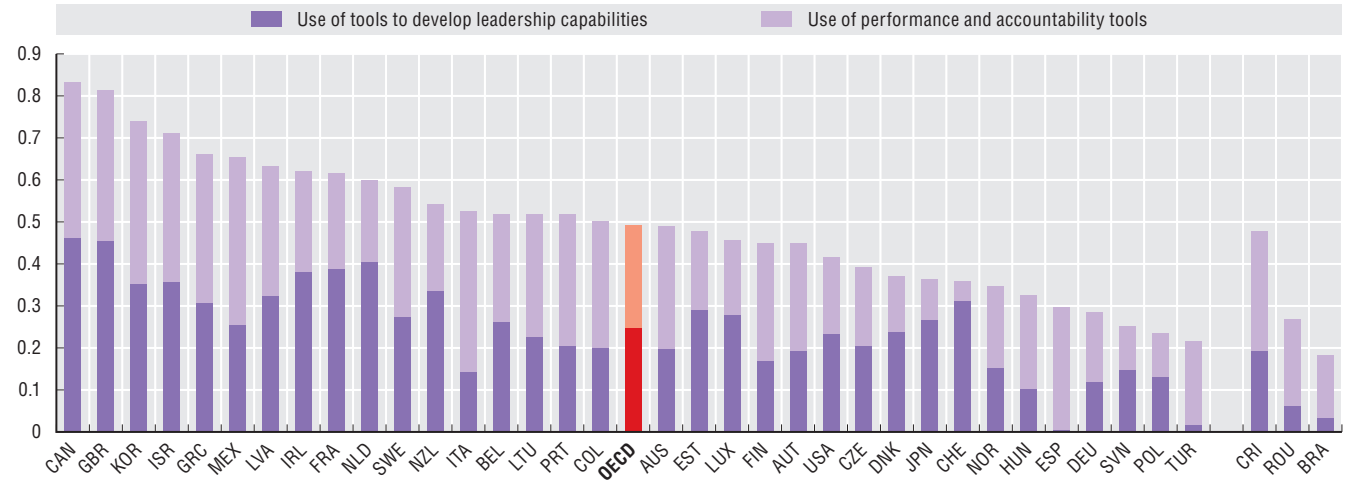
Gerson, D. (2020), "Leadership for a high performing civil service: Towards senior civil service systems in OECD countries", *OECD Working Papers on Public Governance*, No. 40, OECD Publishing, Paris, *https://doi.org/10.1787/ed8235c8-en*.

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

Figure notes

Data for Chile, Iceland and the Slovak Republic are not available. Data for the Slovak Republic are not available as the senior level public service is not a formalised group.

6.3. Pilot index: Managing the senior level public service, 2020



Source: OECD (2020), *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934257983

6.4. Characteristics of the employment framework of senior level public servants, 2020

Country	Differences between senior level public servants compared to other public servants:								
	They are recruited with a more centralized process	They are identified early on in their careers and more attention is paid to the management of their careers	More emphasis is put into avoiding conflicts of interest	More emphasis is put into the management of their performance	They are encouraged to have more career mobility	The part of their pay that is performance-related is higher	Their appointment into a post is shorter (e.g. in case of fixed term contracts)	They can be dismissed or demoted more easily than other public servants	There are no differences, all public servants are under the same employment framework
Australia	○	○	○	●	○	○	○	○	○
Austria	○	○	○	○	○	○	●	○	○
Belgium	●	○	○	●	●	○	●	●	○
Canada	●	●	●	●	●	●	○	○	○
Colombia	●	○	●	●	○	●	●	●	○
Czech Republic	○	○	●	○	○	○	●	●	○
Denmark	●	○	●	○	○	●	○	○	○
Estonia	●	○	○	○	●	○	○	●	○
Finland	●	○	●	●	●	○	●	●	○
France	●	○	●	●	●	●	○	●	○
Germany	○	○	○	○	○	○	○	●	○
Greece	●	○	●	●	○	●	○	○	○
Hungary	○	○	●	●	○	○	○	●	○
Ireland	●	○	○	○	●	○	●	○	○
Israel	●	○	●	●	●	○	●	●	○
Italia	○	○	●	●	●	●	○	●	○
Japan	●	○	○	●	○	○	○	○	○
Korea	●	○	●	●	●	●	●	●	○
Latvia	●	○	●	●	○	○	●	○	○
Lithuania	○	○	○	●	○	○	○	○	○
Luxembourg	●	○	○	○	○	○	●	●	○
Mexico	●	○	○	○	○	○	○	●	○
Netherlands	●	○	○	○	●	○	○	○	○
New Zealand	●	○	○	○	○	○	○	○	○
Norway	○	○	○	○	○	○	○	○	●
Poland	○	○	●	○	○	○	○	●	○
Portugal	●	○	●	●	○	○	○	●	○
Slovenia	●	○	○	○	○	○	●	●	○
Spain	○	○	●	○	○	○	●	●	○
Sweden	●	○	○	●	○	○	●	●	○
Switzerland	○	○	○	○	○	○	○	○	●
Turkey	○	○	○	○	○	○	●	●	○
United Kingdom	●	●	●	●	●	●	○	●	○
United States	○	○	●	○	○	●	●	●	○
OECD Total									
● Yes	21	2	17	17	11	9	15	21	2
○ No	13	32	17	17	23	25	19	13	32
Brazil	○	○	●	○	●	○	●	●	○
Costa Rica	○	○	○	○	○	○	●	●	○
Romania	●	○	○	○	○	○	○	○	○

Source: OECD (2020), *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934258002

Diversity and inclusion in the public service

Increased diversity and inclusion in the public service workforce has emerged as a priority for governments across the OECD in recent years. A more diverse workforce can enhance people's trust, strengthen democracy and bring public sector innovation, as different perspectives and skill sets contribute to designing solutions to policy challenges (Nolan-Flecha, 2019). Effective diversity and inclusion strategies require a foundation of merit-based employment policies, open recruitment systems and robust legal protection from discrimination. Building on this, many countries go further by identifying gaps in workforce representation to develop policies to attract and recruit employees from under-represented groups.

The pilot composite index presented in Figure 6.5 captures three dimensions: the diversity of the workforce, the availability of data for measuring and tracking diversity in public sector workforces, and the use of tools to attract and recruit diverse employees at all levels. Canada, Israel, New Zealand and the United Kingdom are the top four countries when all three elements are combined, while France, Greece, Hungary and Ireland are among the higher-scoring countries in the diversity component. Collecting diversity data can be challenging given data protection limitations in many OECD countries but Australia, Austria and Colombia score highly for collecting and centralising standardised records of disaggregated workforce data by age, gender, disabilities or educational level. Korea, the Netherlands and Switzerland are among the countries making the most use of tools such as dedicated coaching or internship programmes, or recognising bias training for managers and panel members, to actively engage with under-represented groups, encourage them to apply to the civil service and address biases in recruitment processes.

Table 6.6 details the use of targets and policies for specific under-represented groups. Targets are the strongest mechanism as they set specific measurable objectives. They are used by 24 out of 33 OECD countries (73%) for people with disabilities in the whole public service, while 14 (42%) have targets for gender balance in their whole public service, and an additional 7 OECD countries (21%) only target gender balance at the senior levels of the public administration. These targets are gaining momentum: only 37% of OECD countries had hiring targets for people with disabilities in 2016, and 29% for women (OECD, 2017). When it comes to other under-represented groups, such as people from disadvantaged or migrant backgrounds and ethnic minorities, countries tend to prefer policies over targets. France, Hungary, Korea and New Zealand are the countries making the most use of targets to address diversity in their public workforce.

Methodology and definitions

Data were collected through the 2020 Public Service Leadership and Capability survey and the 2020 OECD Survey on the Composition of the Workforce in Central/Federal Governments. Most respondents were senior officials in central government HRM departments, and the data refer to HRM practices in central government. The survey was completed by all OECD countries except Chile and Iceland, one OECD accession country (Costa Rica), and Brazil and Romania. For this survey, public servants are defined as all government employees who work in the public service, who may be employed through various contractual mechanisms (e.g. civil servant statutes, collective agreements or labour law contracts), on indeterminate or fixed-term employment contracts, but not normally including employees in the wider public sector who are usually regulated under alternative employment frameworks (e.g. most doctors, teachers, police, the military, the judiciary or elected officials).

The pilot index is made up of the following dimensions: 1) the diversity of the workforce; 2) the availability and use of data to track diversity and inclusion; and 3) the use of tools to develop a diverse and inclusive workforce. Each dimension is built from answers to several related questions. The index ranges from 0 (low level of effort to develop a diverse central government workforce) to 1 (high level of effort). Further details are available in Annex E. The variables comprising the index and their relative importance are based on expert judgements. They are presented with the purpose of constructing a pilot index, and consequently may evolve in the future. Missing data for countries were estimated by mean replacement.

Further reading

Nolan-Flecha, N. (2019), "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve", *OECD Working Papers on Public Governance*, No. 34, OECD Publishing, Paris, *https://doi.org/10.1787/51691451-en*.

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

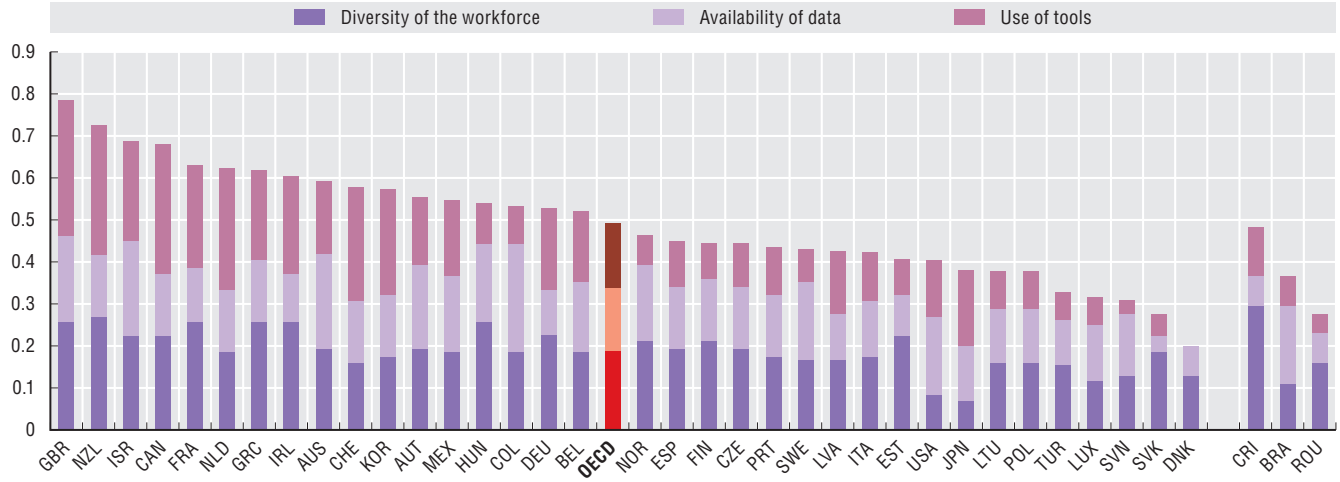
OECD (2017), *Government at a Glance 2017*, OECD Publishing, Paris, *https://doi.org/10.1787/gov_glance-2017-en*.

Figure notes

Data for Chile and Iceland are not available. Gender data for senior level public servants used in the indicator only refer to D1 for Austria, and D2 for Australia (see Annex D for more details on this classification).

6.6: Denmark and Sweden are not included because of the lack of common processes in the central administration.

6.5. Pilot index: Development of a diverse central government workforce, 2020



Source: OECD (2020), *Public Service Leadership and Capability Survey*; OECD (2020), *Survey on the Composition of the Workforce in Central/Federal Governments.*

StatLink https://doi.org/10.1787/888934258021

6.6. Use of policies and specific targets to improve gender balance and the representation of under-represented groups in central government, 2020

	Women	People from disadvantaged social backgrounds	Ethnic minorities	Indigenous peoples	People with disabilities	People with migrant background	Young professionals	LGBTI	Veterans
Australia	■	⊙	□	■	■	□	□	□	⊙
Austria	■	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Belgium	◆	■	⊙	⊙	■	⊙	⊙	⊙	⊙
Canada	■	⊙	■	■	■	⊙	□	⊙	□
Colombia	◆	□	□	□	■	⊙	■	⊙	⊙
Czech Republic	■	□	□	⊙	■	⊙	⊙	⊙	⊙
Estonia	□	□	□	⊙	■	⊙	□	□	⊙
Finland	■	□	□	□	□	□	⊙	⊙	⊙
France	■	■	⊙	⊙	■	■	■	■	■
Germany	■	⊙	□	⊙	■	□	□	□	⊙
Greece	□	□	□	□	◆	□	□	□	□
Hungary	■	■	■	⊙	■	⊙	■	⊙	⊙
Ireland	◆	□	■	■	■	□	⊙	□	⊙
Israel	■	⊙	■	⊙	■	□	⊙	⊙	⊙
Italy	□	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Japan	■	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Korea	■	■	⊙	⊙	■	■	■	⊙	■
Latvia	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙
Lithuania	⊙	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Luxembourg	⊙	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Mexico	◆	□	□	□	□	□	□	□	⊙
Netherlands	◆	⊙	□	⊙	■	□	□	□	⊙
New Zealand	■	⊙	■	■	□	■	⊙	□	⊙
Norway	□	⊙	□	⊙	■	□	⊙	□	⊙
Poland	⊙	⊙	⊙	⊙	■	⊙	■	⊙	⊙
Portugal	◆	⊙	⊙	⊙	□	⊙	⊙	⊙	⊙
Slovak Republic	⊙	⊙	⊙	⊙	□	⊙	⊙	⊙	⊙
Slovenia	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙
Spain	◆	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙
Switzerland	■	□	□	⊙	■	□	■	□	⊙
Turkey	⊙	■	⊙	⊙	■	⊙	⊙	⊙	■
United Kingdom	■	■	■	⊙	■	⊙	⊙	⊙	■
United States	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	■
OECD Total									
■ Yes, targets for whole central/ federal administration	14	6	6	4	24	3	6	1	5
◆ Yes, but the targets are only for senior level public servants	7	0	0	0	1	0	0	0	0
□ No specific targets, but policies in place	4	8	11	4	5	10	7	10	2
⊙ No policies or targets in place	8	19	16	25	3	20	20	22	26
Brazil	⊙	⊙	■	⊙	■	⊙	⊙	⊙	⊙
Costa Rica	■	■	■	■	■	■	⊙	■	■
Romania	⊙	⊙	⊙	⊙	■	⊙	⊙	⊙	⊙

Source: OECD (2020) *Survey on the Composition of the Workforce in Central/Federal Governments.*

StatLink https://doi.org/10.1787/888934258040

People management responses to the COVID-19 pandemic in the public service

Public servants have been at the forefront of the COVID-19 response, developing emergency measures to keep populations healthy, safe and supported. To do so, the public service had to adapt, developing new ways of working in a constantly changing and often remote environment, integrating new tools and technology, and requiring unprecedented agility and resilience. Despite restrictions and lockdowns, public administrations managed to develop and use new tools and practices to ensure the continuity of public-service delivery to citizens, while keeping their own employees safe.

In this sense, remote working went from being seldom used to becoming the main, and often sole, way of working in many countries and administrations. During the first wave of the COVID-19 pandemic in the spring of 2020, 19 out of 25 (76%) OECD countries saw over half of their civil servants working remotely (Figure 6.7), and most expected increased remote working in the years to come. Most countries could count on existing tools and policies to enable remote working: 31 out of 34 OECD countries (91%) used existing communication channels to keep staff informed, 22 already had the IT infrastructure to enable remote work in place, and 20 did not have to change their remote working regulations/policies. However, and considering the depth of the change, additional tools were required to make the leap from occasional remote working to full remote working: 23 out of 34 OECD countries (68%) had to develop video conferencing and other communication tools which are now common and widespread (Table 6.8).

However, working remotely is not possible for all public servants, and the definition of essential workers has become increasingly relevant: 15 out of 34 OECD countries had already defined such positions, while 14 countries had to define, or redefine, them at the beginning of the crisis. Moreover, 31 OECD countries used special staffing regulations and policies, which often made it possible to move staff internally to face surges in demand. While 23 of these countries already had the necessary regulations and policies in place, 8 had to develop new policies and regulations to enable this change. This illustrates how the COVID-19 pandemic has enabled public services to identify effective policies in these areas, and develop new ones to create a highly flexible and agile workforce.

While highly challenging and stressful on public servants, the COVID-19 crisis may also be an opportunity to embed longer-term agility into public employment systems. For example, most of the implemented measures are expected to stay after the crisis, especially those tools related to remote working arrangements. A significant number of countries had to update policies around remote working, recruitment and leave, and put in place new tools to monitor the impact of the crisis on their workforce, including employee surveys. Many countries also needed to meet increased demands in various functions, including health, employment services and security services. They were able do so by developing tools for internal reallocation of staff and streamlined recruitment processes (Figure 1.7, Chapter 1). This crisis proved the resilience of public workforces across OECD countries, not only to integrate remote working, but to also introduce more flexibility to adapt to complex and fast-changing circumstances.

Methodology and definitions

Data were collected in the summer of 2020 through a special COVID-19 module of the 2020 Public Service Leadership and Capability survey. Most respondents were senior officials in central government HRM departments, and data refer to HRM practices in central government. The survey was completed by all OECD countries except Chile and Iceland, one OECD accession country (Costa Rica), and Brazil and Romania.

Further reading

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

OECD (forthcoming), *The Future of Work in the Public Service*, OECD Publishing, Paris.

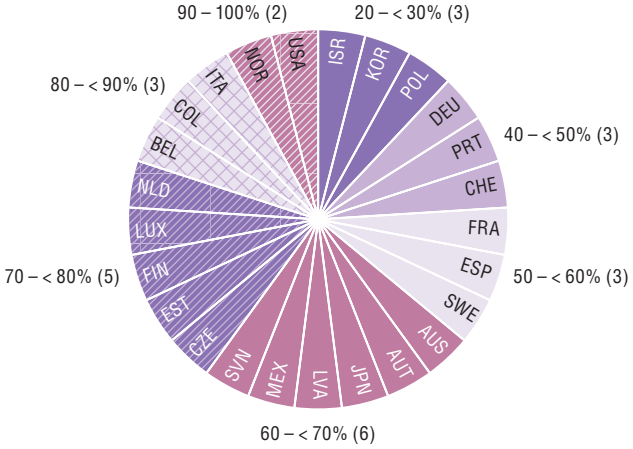
Figure notes

Data for Chile, Iceland and the United Kingdom are not available.

6.7. Data refer to the highest percentage of employees working remotely between March and July 2020. Data for Canada, Denmark, Greece, Hungary, Ireland, Lithuania, New Zealand, the Slovak Republic and Turkey are not available.

6.8. Data for Japan refer only to policies implemented at the central level, not including policies taken by individual ministries.

6.7. Share of the central government workforce who worked remotely during the first wave of the COVID-19 crisis, 2020



Source: OECD (2020), Special COVID-19 module of the *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934258059

6.8. Personnel management responses during the first wave of the COVID-19 pandemic, 2020

	Definition of essential positions	IT infrastructure enabling remote work (e.g. laptops/ VPN)	Remote working regulations/ policies	Video conferencing and other communication tools to enabling remote working	Leave policies for employees who were unable to work remotely	Recruitment/ staffing regulations/ policies (including internal mobility)	Communication channels to keep staff informed (e.g. website)	Co-ordination bodies (e.g. committees to co-ordinate the personnel management response)	Tools to track data on employee response (e.g. employee surveys, number of VPN connections, admin data)
Australia	◆❖	■❖	■❖	◆❖	◆❖	■❖	■❖	◆❖	■❖
Austria	◆	■❖	◆❖	◆❖	□	◆❖	■❖	□	◆
Belgium	◆❖	■❖	■❖	■❖	◆❖	■❖	■❖	◆	◆❖
Canada	■	◆❖	■❖	◆❖	■❖	■❖	◆❖	◆	◆❖
Colombia	◆❖	■❖	◆❖	◆❖	◆❖	■❖	■❖	■❖	◆❖
Czech Republic	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖
Denmark	□	■❖	■❖	■❖	□	■❖	■❖	■❖	■❖
Estonia	■❖	■❖	■❖	■❖	□	■	■❖	■❖	■❖
Finland	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖
France	◆❖	◆❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖
Germany	■❖	■❖	■❖	◆❖	◆	◆	■❖	◆	□
Greece	◆	◆	■	■	◆	■	■	■	◆
Hungary	□	■❖	■❖	■❖	■❖	■❖	■❖	◆	◆
Ireland	◆❖	◆❖	◆❖	◆❖	◆	◆❖	◆❖	◆❖	◆❖
Israel	◆❖	■❖	■❖	◆❖	◆❖	◆	■❖	■❖	■❖
Italy	■❖	■❖	◆❖	◆❖	□	■❖	■❖	□	◆
Japan	□	■	□	□	■❖	□	□	□	□
Korea	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖	■❖
Latvia	◆❖	■❖	◆❖	◆❖	◆❖	■❖	■❖	■❖	■❖
Lithuania	■❖	◆❖	■❖	◆❖	□	■❖	■❖	□	□
Luxembourg	■	◆❖	◆	◆❖	□	■	■	■	◆❖
Mexico	□	◆❖	◆❖	■❖	□	◆❖	■❖	◆❖	■❖
Netherlands	◆	■❖	■❖	◆❖	□	■❖	■❖	◆❖	□
New Zealand	◆	◆❖	◆❖	◆❖	◆	◆❖	■❖	◆❖	◆
Norway	■❖	■❖	◆	◆❖	■❖	■❖	■❖	□	□
Poland	■❖	◆❖	◆❖	◆❖	□	■❖	■❖	■❖	■❖
Portugal	■❖	◆❖	■❖	◆❖	□	■❖	■❖	□	◆
Slovak Republic	◆❖	■❖	■❖	◆❖	◆❖	□	■❖	■❖	□
Slovenia	■❖	■❖	■❖	◆❖	◆	■❖	■❖	■❖	□
Spain	◆	◆❖	◆❖	◆❖	■❖	■❖	■❖	■❖	□
Sweden	◆❖	■❖	◆❖	◆	□	■	■	■	□
Switzerland	■❖	◆❖	■❖	◆❖	◆	□	■❖	■❖	□
Turkey	□	■❖	◆	◆❖	◆	◆	■❖	■❖	□
United States	■❖	■❖	■❖	◆❖	■❖	◆❖	■❖	■❖	◆❖
OECD Total									
Already in place before the COVID-19 crisis ■	15	22	20	10	10	23	31	19	11
Newly developed or highly transformed ◆	14	12	13	23	13	8	2	9	12
This measure is expected to stay in place after the crisis ❖	22	32	29	31	16	24	30	21	17
Not applicable □	5	0	1	1	11	3	1	6	11
Brazil	■	□	□	□	□	□	□	□	□
Costa Rica	■❖	■❖	■❖	■❖	◆	◆❖	■❖	■❖	■❖
Romania	◆	■❖	◆❖	◆❖	◆❖	□	■❖	□	◆❖

Source: OECD (2020), Special COVID-19 module of the *Public Service Leadership and Capability Survey*.

StatLink https://doi.org/10.1787/888934258078

Measuring employee engagement

Engaged employees perform better, thus increasing productivity, public sector innovation and citizens' satisfaction. Organisations with more engaged employees also see less sick leave and higher retention rates. The drivers of employee engagement vary greatly, but common factors include perceived quality of leadership and management, working conditions and opportunities for career progression (OECD, 2016). Employee engagement can thus be considered a performance measure for people management.

The OECD facilitated the creation of a standard questionnaire module for comparing aspects of work and organisational engagement, and public service motivation. It was piloted in seven countries in 2020 via existing national public employment surveys.

Work engagement measures the relationship between employees and their job. In all the pilot countries, at least 67% of respondents are satisfied with their job, at least 42% consider that their work gives them a sense of accomplishment, and slightly fewer (at least 39%) are inspired by their job (Figure 6.9, Panel A). Organisational engagement measures the relationship between an employee and the organisation where they work (Figure 6.9, Panel B). The data here suggest that most public servants (at least 56%) strongly identify with the mission of their organisations, but feel less attached to the organisation itself. In Latvia the results are reversed. Finally, public service motivation has the highest average score of all the questions in all the countries, ranging from 81% in Belgium to 98% in Israel, highlighting the importance of contributing to the common good (Figure 6.9, Panel C). Taken together, the data show that public employees are highly motivated by mission, but suggest there are opportunities to improve organisational leadership and management policies to inspire public servants and build their pride in their organisation.

Some demographic differences exist. The gender differences were not statistically significant, but those based on age were. In Israel and Latvia, older cohorts scored slightly higher on all survey questions, while the opposite is true in Belgium (Figure 6.10). The difference reaches 0.73 in Latvia for organisational engagement. There could be many reasons for such differences, relating to the cultural environment, pay or career opportunities. Working patterns also affect engagement. In most of the OECD countries analysed, full-time employees were generally more positive than those working less than 90% full-time hours (Online Figure G.29). Only Latvia sees greater employee engagement from part-time workers. The integration of more variables and deeper analysis would be required to explain such difference between working patterns, but they suggest there may be challenges in generating employee engagement while increasing the use of flexible working patterns in the wake of the COVID-19 crisis.

Methodology and definitions

The module on employee engagement was designed by the OECD, academics and national experts in civil service surveys. The pilot countries reported in this publication (six OECD and Brazil) fielded this module in their existing public employment surveys.

The module has three questions on work engagement: 1) Overall, I am satisfied with my job, 2) My job inspires me, 3) The work I do gives me a sense of accomplishment; two questions on organisational engagement: 4) I feel a strong personal attachment to my organisation, 5) I identify with the mission of my organisation; and one on public service motivation: 6) It is important to me that my work contributes to the common good. Participating countries used a 1-5 scale where 1 = "strongly disagree" and 5 = "strongly agree". Employees responding 4 or 5 are considered to positively rate the statement. Brazil used a similar Likert scale, replacing numbers by sentences related to the agreement or disagreement with each statement.

Australia: 108 085 Australian Public Service personnel employed under the Public Service Act 1999 participated from 12 October to 13 November 2020.

Belgium: 1 735 employees from 3 different organisations participated, 2 of them conducted the survey during the second semester of 2019, the third at the end of 2020.

Israel: 6 605 employees participated from 1-15 December 2020.

Luxembourg: 261 civil servants, employees and, in some cases, external staff from 4 different administrations participated between November 2019 and December 2020.

Latvia: 5 778 civil servants from 153 state institutions participated from 21 October to 9 November 2019.

The Netherlands: 2 158 employees, representing a sample of civil servants in Dutch core ministries (excluding agencies and other executive services) participated from 3-25 November 2020.

Brazil: 32 393 employees from the Federal Executive Public Administration participated from 21 September to 23 October 2020.

Further reading

OECD (2019), *Recommendation of the Council on Public Service Leadership and Capability*, OECD, *https://legalinstruments.oecd.org/%20en/instruments/OECD-LEGAL-0445*.

OECD (2016), *Engaging Public Employees for a High-Performing Civil Service*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/9789264267190-en*.

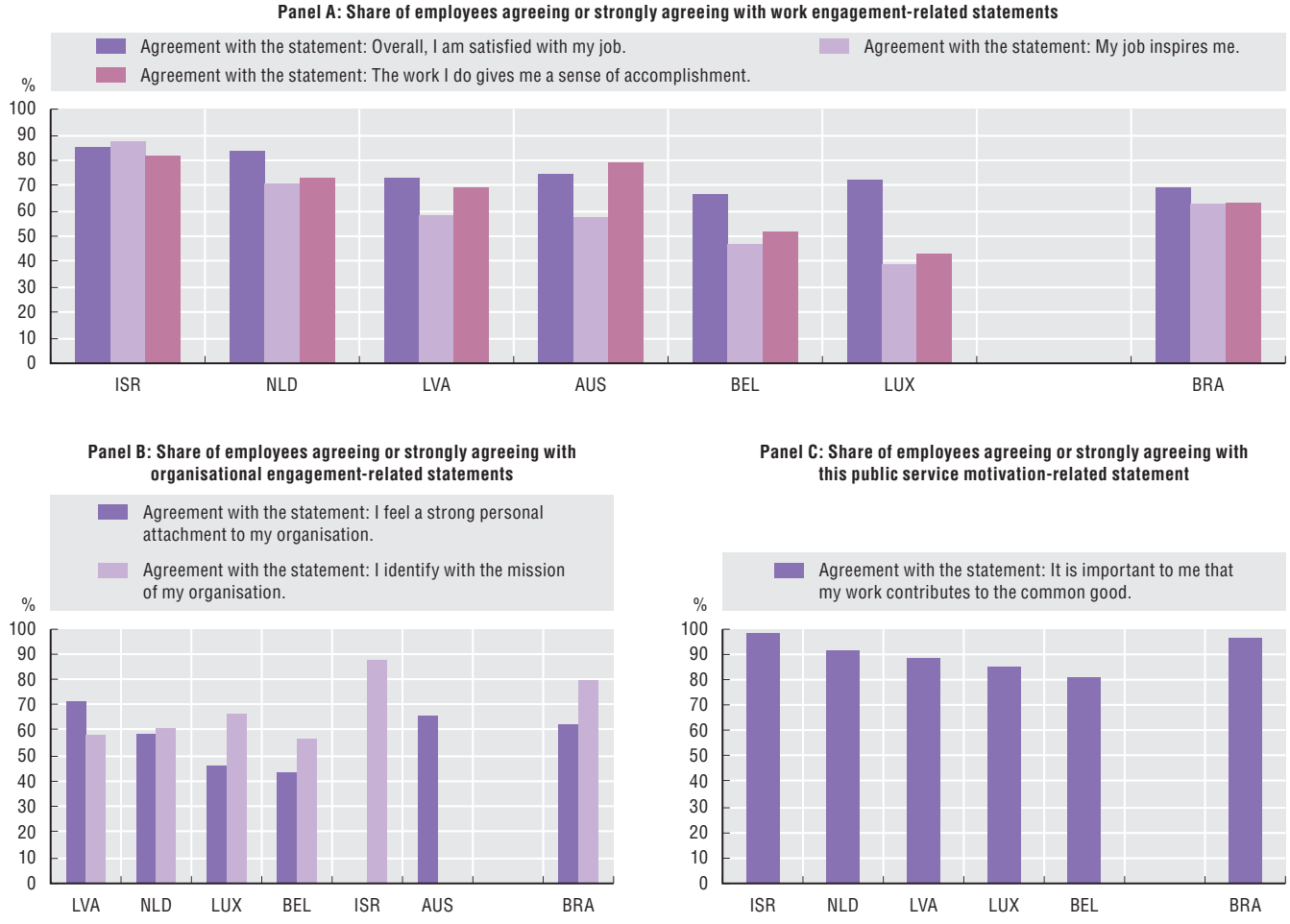
Figure notes

Data for Australia are not available for "I identify with the mission of my organisation" and "It is important to me that my work contributes to the common good". Data for Israel are not available for "I feel a strong personal attachment to my organisation".

6.10. Data for Luxembourg are not available.

G. 29. (Average employee engagement score by working pattern, 2020) is available online in Annex G.

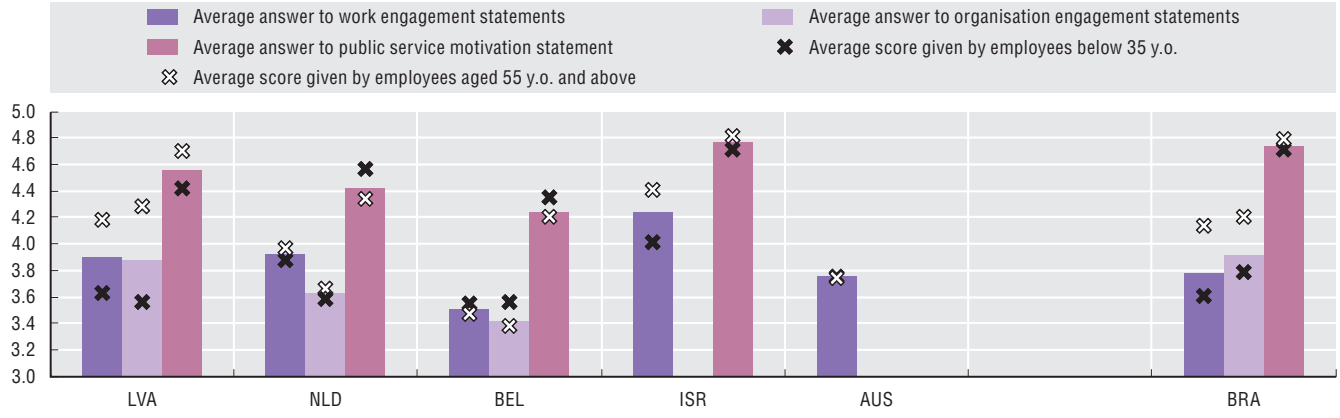
6.9. Share of public employees positively rating employee engagement, 2020



Source: OECD (2021), Special employee engagement module of the *Civil Service Survey*.

StatLink https://doi.org/10.1787/888934258097

6.10. Average employee engagement score and difference between age groups, 2020



Source: OECD (2021), Special employee engagement module of the *Civil Service Survey*.

StatLink https://doi.org/10.1787/888934258116

7. REGULATORY GOVERNANCE

Stakeholder engagement

Regulatory impact assessment

Ex post evaluation

The independence of economic regulators

Accountability arrangements of economic regulators

Assessing regulators' performance

Stakeholder engagement

Laws critically affect businesses, citizens and the public at large in their everyday lives. These groups can inform policy makers about how proposed regulations may impact them. Engaging with stakeholders is instrumental for good policy design as it increases public trust in policies and regulations and can improve compliance (as they were part of the decision making). It is important to involve them during early stages of policymaking, when problems and potential solutions are being identified, as well as once regulations have been drafted. However, since these stakeholders represent different needs and interests, and face different constraints, policy makers must be proactive and facilitate enough consultation opportunities. Engaging with stakeholders means not just receiving comments, but also responding to them and using them in the development of regulations where appropriate.

OECD countries more commonly consult stakeholders on draft regulations, and less often do so at an earlier stage. In many cases, the public generally only find out about consultations from posts on websites. Since business and citizens do not have time to constantly check government websites for new consultations, countries should adopt a more proactive approach. For instance, 8 OECD countries systematically inform stakeholders by e-mail about consultations, while a further 20 countries do so occasionally (Table 7.1).

In general, countries still need to improve how they treat stakeholder input. Showing how comments have influenced the final design of laws helps to engender a feeling of ownership and trust in the process. While most OECD countries make stakeholders' views publicly available in some way (via interactive websites, summary of comments, etc.), half respond to all comments or those they consider more relevant. More positively, 32 OECD and accession countries make comments available to decision makers (Table 7.1).

Consultation approaches vary depending on when the consultation is carried out. Policy makers in 34 OECD countries consult at an early stage with selected relevant groups (e.g. industry representatives, consumer groups or non-governmental organisations), while open consultations (e.g. broad circulation of regulations for comments or online consultations) are more commonly held at a later stage. This difference may be justified when consultations require expert input or are more complex, but it is important to also obtain feedback from a broad range of stakeholders for regulations of a more general nature at an early stage, when they can help to identify and correctly define policy problems and potential solutions. Only 2 OECD countries conduct all early stage consultations online, 1 more than in 2017, and 11 conduct all consultations for draft regulations online, 3 more than in 2017. The use of virtual consultations has noticeably increased since 2017: from 13 to 23 OECD countries for early stage consultations, and from 15 to 21 for late stage consultations (Figure 7.2).

Methodology and definitions

The Indicators of Regulatory Policy and Governance (iREG) survey draws on responses from delegates to the OECD Regulatory Policy Committee and central government officials. The survey was responded to by 37 OECD countries in 2017 and 2021. Costa Rica and the European Union responded in both rounds. The data only cover primary laws and subordinate regulations initiated by the executive. In most OECD and accession countries, a majority of primary laws are initiated by the executive. The exceptions are Colombia, Korea, Mexico, Portugal, Switzerland and Costa Rica, where a higher share of primary laws are initiated by the legislature. Questions on primary laws are not applicable to the United States, as the US executive does not initiate primary laws at all. More information on the iREG indicators can be found at *oe.cd/ireg*.

Primary laws are regulations which must be approved by the legislature. Subordinate regulations can be approved by the head of government, an individual minister or the cabinet.

Early stage consultation is conducted when policy makers have identified that a public policy problem exists and are considering various ways to solve it. Late stage consultation is conducted when the decision to regulate has been made and there is already a draft of the proposed regulation.

Further reading

OECD (forthcoming), *Regulatory Policy Outlook 2021*, OECD Publishing, Paris.

OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264209022-en*.

Lind, E. and C. Arndt (2016), "Perceived fairness and regulatory policy: A behavioural science perspective on government-citizen interactions", *OECD Regulatory Policy Working Papers*, No. 6., OECD Publishing, Paris, *https://doi.org/10.1787/1629d397-en*.

Figure notes

7.1. Data for Colombia, Korea, Mexico, Portugal, Switzerland and Costa Rica refer to their responses on consultations on subordinate regulations, since in those countries primary laws are rarely initiated by the executive. Since in the United States the executive does not initiate primary laws at all, their answers for consultations on subordinate regulations are shown.

7.2. Data excludes the United States since data correspond to consultations conducted for the development of primary laws. Data include Costa Rica and the European Union.

7.1. Stakeholder engagement and treatment of comments by policy makers, 2021

Systematic | Non-systematic | Never

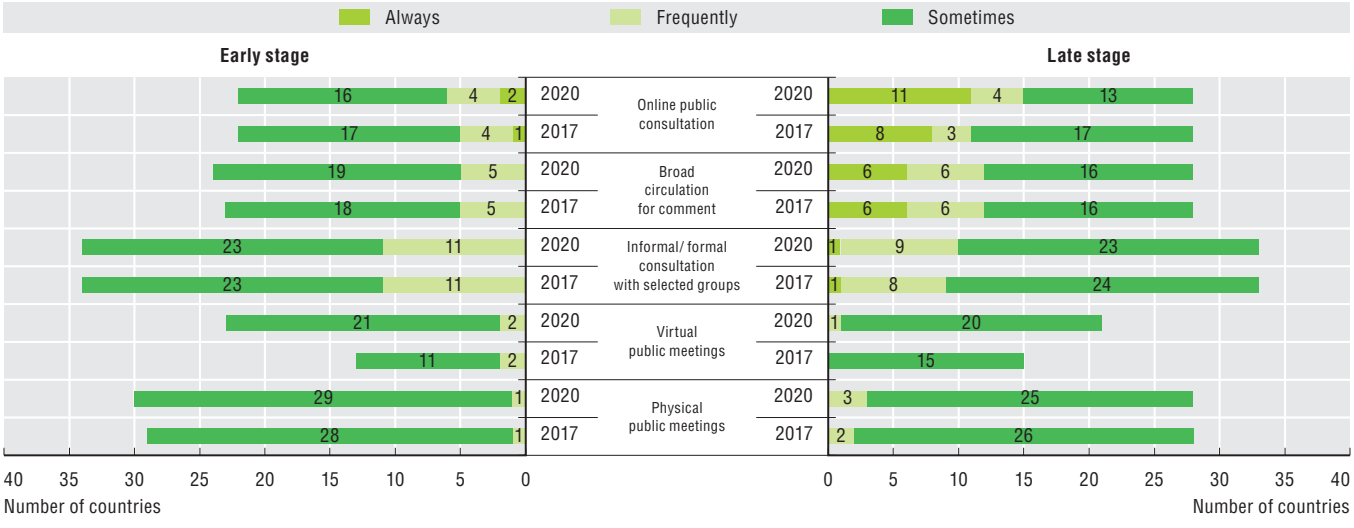
Yes | No

	Public knowledge of consultation				Consultation conducted		How comments are treated by policy makers		
	Before the consultation is conducted	Through central website for consultation	E-mail notification	Through social media	Early stage	Late stage	Comments are publicly available	Policy makers respond to comments	Comments made available to decision makers
Australia	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Systematic	Yes	No	Yes
Austria	Never	Systematic	Never	Never	Non-systematic	Systematic	Yes	No	No
Belgium	Never	Non-systematic	Never	Never	Systematic	Systematic	Yes	No	Yes
Canada	Systematic	Systematic	Non-systematic	Non-systematic	Systematic	Non-systematic	Yes	No	Yes
Chile	Systematic	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Yes	Yes	Yes
Colombia	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	No
Czech Republic	Never	Never	Never	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
Denmark	Never	Systematic	Non-systematic	Never	Non-systematic	Systematic	Yes	Yes	No
Estonia	Never	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
Finland	Systematic	Non-systematic	Systematic	Systematic	Non-systematic	Systematic	Yes	No	Yes
France	Non-systematic	Non-systematic	Non-systematic	Never	Non-systematic	Non-systematic	Yes	No	Yes
Germany	Never	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Greece	Non-systematic	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Hungary	Never	Systematic	Never	Never	Never	Systematic	No	No	No
Iceland	Never	Systematic	Systematic	Non-systematic	Systematic	Systematic	Yes	Yes	Yes
Ireland	Never	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Yes	No	Yes
Israel	Never	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Italy	Systematic	Systematic	Non-systematic	Non-systematic	Systematic	Non-systematic	Yes	Yes	Yes
Japan	Never	Never	Never	Never	Never	Never	No	No	Yes
Korea	Systematic	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
Latvia	Non-systematic	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
Lithuania	Never	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Luxembourg	Never	Non-systematic	Never	Never	Non-systematic	Systematic	Yes	No	Yes
Mexico	Never	Systematic	Systematic	Systematic	Non-systematic	Systematic	Yes	Yes	Yes
Netherlands	Never	Systematic	Systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
New Zealand	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Systematic	Yes	Yes	Yes
Norway	Never	Systematic	Non-systematic	Never	Non-systematic	Systematic	Yes	No	Yes
Poland	Non-systematic	Systematic	Systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
Portugal	Never	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	No	No	No
Slovak Republic	Systematic	Systematic	Systematic	Never	Non-systematic	Systematic	Yes	Yes	Yes
Slovenia	Systematic	Systematic	Systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Spain	Never	Non-systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	No	Yes
Sweden	Never	Systematic	Never	Never	Non-systematic	Systematic	Yes	No	Yes
Switzerland	Systematic	Systematic	Never	Never	Non-systematic	Systematic	Yes	No	Yes
Turkey	Never	Never	Never	Never	Non-systematic	Systematic	No	No	Yes
United Kingdom	Non-systematic	Systematic	Systematic	Non-systematic	Systematic	Systematic	Yes	Yes	Yes
United States	Non-systematic	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
OECD Total									
Systematic	9	21	8	2	7	31			
Non-systematic	8	13	20	23	28	5			
Never	20	3	9	12	2	1			
Yes							33	18	32
No							4	19	5
Costa Rica	Non-systematic	Systematic	Non-systematic	Non-systematic	Non-systematic	Systematic	Yes	Yes	Yes
European Union	Systematic	Systematic	Systematic	Systematic	Systematic	Systematic	Yes	Yes	Yes

Source: OECD *Indicators of Regulatory Policy and Governance* (iREG) survey, 2021.

StatLink https://doi.org/10.1787/888934258135

7.2. Forms of stakeholder engagement for early and late stage consultations, 2017 and 2021



Source: OECD *Indicators of Regulatory Policy and Governance* (iREG) survey, 2017 and 2021.

StatLink https://doi.org/10.1787/888934258154

Regulatory impact assessment

Governments in OECD countries face constant calls to intervene to protect consumers, workers, the environment and so on, particularly during the COVID-19 pandemic and ensuing crisis. At the same time, governments also face calls for policy making to be increasingly evidence-based and transparent, as a way to ensure inclusiveness and accountability. Regulatory impact assessment (RIA) provides policy makers with crucial evidence to develop more effective and efficient regulations.

RIAs help policy makers to identify the best solution, including not regulating. Officials should consider the current ("do nothing") scenario as well as alternative ways to solve policy problems, including non-regulatory means such as industry-led agreements. A number of OECD countries do not systematically consider the do nothing or alternative options, with most analysing only the preferred option (Figure 7.3). This suggests that decision makers are not always informed about the current situation before regulating and therefore do not always have a meaningful baseline against which to compare the various forms of proposed interventions. Analysing a range of alternative options also helps decision makers form a complete picture of the potential effects of a regulation, which some OECD countries are lacking.

Policy makers assess the economic impact of regulations (e.g. on competition and small businesses), but now increasingly consider other factors, such as poverty, gender equality and the environment (Figure 7.4). This is partially in response to global events and changes in community attitudes, especially as a result of the fight against climate change. Some OECD and accession countries could do more to consider the effects of regulations on social and environmental factors, especially as such impacts are often assessed disjointedly and as assessments based purely on economic criteria do not always identify potential unintended consequences.

Ill-informed or rushed laws can have negative consequences. In genuinely unforeseeable emergency situations the introduction of time-critical regulations may need to be accelerated. At the same time, RIA is of most benefit when potential impacts are large, as they are during crises. RIAs can identify better alternatives, avoid undesirable impacts and help to identify possible unintended consequences. At the onset of an emergency, there may not be much information to hand when introducing laws. Countries need flexibility in the application of RIA in emergency situations. For instance, Canada relaxed certain RIA requirements to monetise impacts for COVID-related laws (e.g. allowing for more qualitative vs. quantitative impacts for subordinate regulations), so that RIA could still be used in decision making. The lack of initial information and the time to collect it places more emphasis on monitoring and evaluation once laws take effect so that future amendments are evidence-based. However some OECD countries have avoided using RIA during emergencies, particularly during the COVID-19 pandemic (Figure 7.5). Scheduled reviews of laws introduced at the start of the pandemic may not take place for some years, potentially extending any adverse impact longer than necessary.

Methodology and definitions

The Indicators of Regulatory Policy and Governance (iREG) survey draws on responses from delegates to the OECD Regulatory Policy Committee and central government officials. The survey was responded to by 37 OECD countries in 2017 and 2021, and 34 OECD countries in 2014. Costa Rica replied in 2017 and 2021, and the European Union in all three rounds.

The data cover primary laws and subordinate regulations initiated by the executive. In most OECD and accession countries, a majority of primary laws are initiated by the executive. The exceptions are Colombia, Korea, Mexico, Portugal, Switzerland and Costa Rica, where a higher share of primary laws are initiated by the legislature. Questions on primary laws are not applicable to the United States, as the US executive does not initiate primary laws at all. More information on the iREG indicators can be found at *oe.cd/ireg*.

Regulatory impact assessment (RIA) is a systematic process used to identify and quantify the costs and benefits likely to flow from a regulatory or non-regulatory option for a policy under consideration. As a minimum, every RIA should include a description of the problem and the objective sought, identify potential solutions, analyse benefits and costs, and explain how the proposal will be monitored and evaluated.

Further reading

OECD (forthcoming), *Regulatory Policy Outlook 2021*, OECD Publishing, Paris.

Davidson, P., C. Kauffmann and M. de Liedekerke (2021), "How do laws and regulations affect competitiveness: The role for regulatory impact assessment", *OECD Regulatory Policy Working Papers*, No. 15, OECD Publishing, Paris, *https://doi.org/10.1787/7c11f5d5-en*.

OECD (2020), *Regulatory Impact Assessment*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris, *https://doi.org/10.1787/7a9638cb-en*.

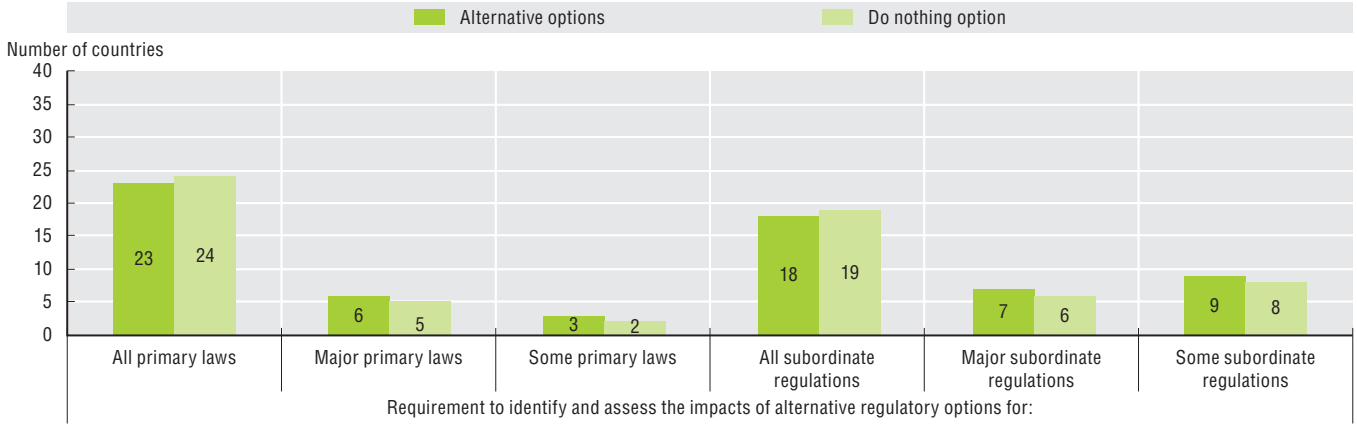
Figure notes

7.3. Data include Costa Rica and the European Union.

7.4. Data consider answers for reviews of impacts of both primary laws and subordinate regulations on a range of factors. The answer options are "Yes/ No". If a country answered differently for primary laws and subordinate regulations, the higher value ("Yes") of the two answers provided is shown for each country.

7.5. Data are based on 34 OECD countries and the European Union. Data for 2014 are not available for Colombia, Latvia and Lithuania.

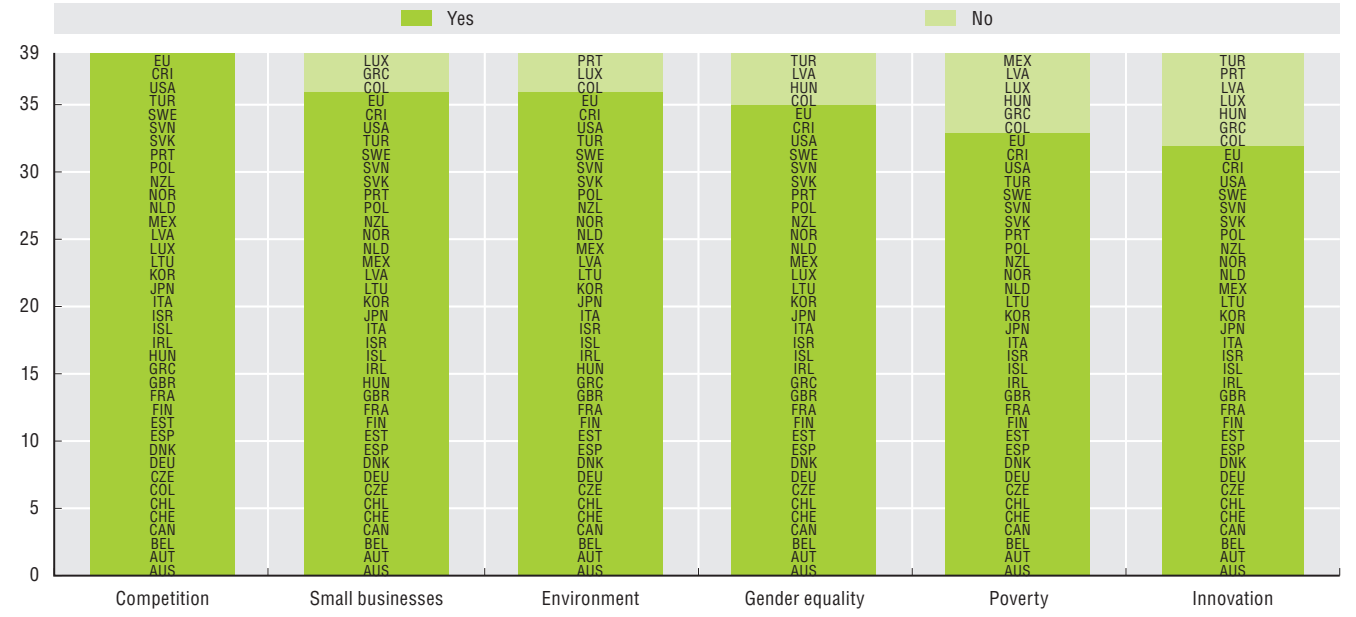
7.3. Assessment of alternative and current (i.e. "do nothing") options for laws and regulations, 2021



Source: OECD *Indicators of Regulatory Policy and Governance (iREG)* survey, 2021.

StatLink https://doi.org/10.1787/888934258173

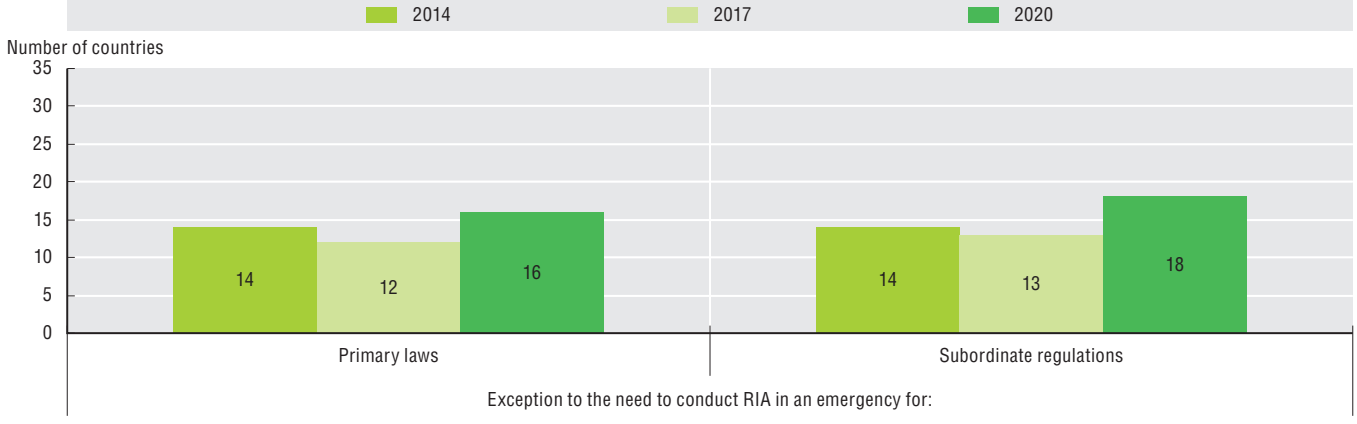
7.4. Types of impacts required to be assessed in RIA for primary laws and subordinate regulations, 2021



Source: OECD *Indicators of Regulatory Policy and Governance (iREG)* survey, 2021.

StatLink https://doi.org/10.1787/888934258192

7.5. Exceptions to the need to conduct RIA on emergency laws and regulations, 2014, 2017 and 2021



Source: OECD *Indicators of Regulatory Policy and Governance (iREG)* survey, 2014, 2017, and 2021.

StatLink https://doi.org/10.1787/888934258211

Ex post evaluation

All laws are experiments to some extent – there are often uncertainties about how regulations might actually affect citizens and businesses in practice. *Ex post* evaluation helps to assess whether laws are working as originally intended and, if not, to propose improvements. Evaluations can highlight unforeseen technological and other changes that may render laws ineffective. Left unchecked, the stock of laws will continue to grow unabated creating unnecessary red tape for citizens and businesses. Evaluations also operate as an important check to ensure that laws are still justified and in the public interest. In turn, this helps to build community support for laws and boost trust in government action as it increases the level of transparency and accountability.

Levels of evaluations across OECD countries remains low despite their importance in ensuring that regulations continue to improve societal wellbeing. Only one-third of OECD countries have systematic requirements in place to conduct *ex post* evaluations, with the number essentially unchanged since 2014. This represents a significant weakness as committed leadership is crucial to a well-functioning *ex post* evaluation system. To some extent this is unsurprising – governments are often concerned about the political and economic consequences of being shown to have made "bad" decisions previously. Yet this is an unduly narrow view of the benefits that a sound evaluation system provides. Evaluations may incidentally provide opportunities to learn from past mistakes, but this is in order to avoid repeating them, rather than to enter into some sort of "blame game". Evaluations should be viewed as an opportunity to enhance the certainty and stability of the existing regulatory framework, foster greater competitiveness, and improve wellbeing.

Ensuring that planned evaluations actually take place is an important first step to overcoming a "set and forget" mentality that still persists in many countries. Only a handful of OECD countries have mechanisms to ensure that there are consequences if planned evaluations do not actually take place, such as public reporting on non-compliance (Figure 7.6). Cultural change is required to better appreciate that evaluations are an integral part of a system that assists to deliver good outcomes to its citizens.

Assessing whether regulations have achieved their objectives ought to be at the heart of any evaluation. It is critical to learn if laws have worked as originally intended, and if not, to understand the reason or reasons why not. Results from the iREG survey show that more than 40 per cent of OECD countries are required to identify a process to assess progress in achieving a regulation's goals at the time when it is first developed. However, OECD countries are less likely to have requirements in place when conducting evaluations to assess whether the underlying policy goals were in fact achieved (Table 7.7). This represents a missed opportunity to learn whether laws are delivering good outcomes in practice for citizens and businesses.

Methodology and definitions

The Indicators of Regulatory Policy and Governance (iREG) survey draws on responses from delegates to the OECD Regulatory Policy Committee and central government officials. In 2021, the survey was responded to by 37 OECD countries, Costa Rica and the European Union. More information on the iREG indicators can be found at *oe.cd/ireg*.

Ex post evaluations refer to the process of assessing the effectiveness and efficiency of regulations once they are in force. They are undertaken to ascertain the extent to which regulations met their originally intended goals, do not impose unnecessary costs on citizens and/or businesses, and continue to deliver good outcomes for the community.

Primary laws are regulations which must be approved by the legislature. Subordinate regulations can be approved by the head of government, an individual minister or the cabinet.

Further reading

OECD (forthcoming), *Regulatory Policy Outlook 2021*, OECD Publishing, Paris.

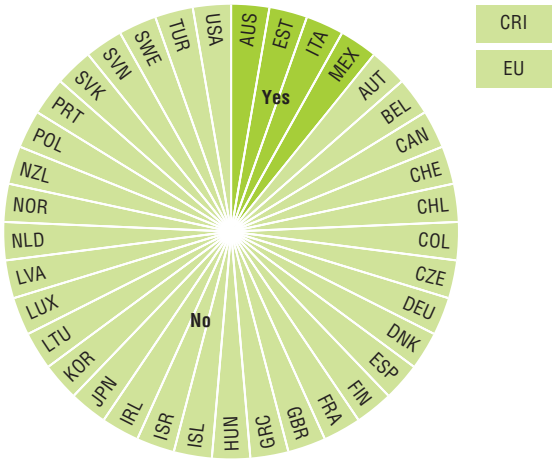
OECD (2020), *Reviewing the Stock of Regulation*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris, *https://doi.org/10.1787/1a8f33bc-en*.

OECD (2014), *OECD Framework for Regulatory Policy Evaluation*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264214453-en*.

Figure note

7.6. and 7.7. Data include Costa Rica and the European Union.

7.6. Mechanisms to ensure that planned *ex post* evaluations take place, 2021



Source: OECD *Indicators of Regulatory Policy and Governance (iREG)* survey, 2021.

StatLink https://doi.org/10.1787/888934258230

7.7. *Ex post* evaluation of regulations against underlying goals, 2021

For all primary laws/subordinate regulations	For major primary laws/ subordinate regulations	For some primary laws/ subordinate regulations	Never	Not applicable

	When designing laws, policy makers have processes in place to identify the achievement of a regulation's goals		Are evaluations required to assess whether the underlying policy goals have been achieved?	
	Primary laws	Subordinate regulations	Primary laws	Subordinate regulations
Australia				
Austria				
Belgium				
Canada				
Chile				
Colombia				
Czech Republic				
Denmark				
Estonia				
Finland				
France				
Germany				
Greece				
Hungary				
Iceland				
Ireland				
Israel				
Italy				
Japan				
Korea				
Latvia				
Lithuania				
Luxembourg				
Mexico				
Netherlands				
New Zealand				
Norway				
Poland				
Portugal				
Slovak Republic				
Slovenia				
Spain				
Sweden				
Switzerland				
Turkey				
United Kingdom				
United States				
OECD total				
For all primary laws/ subordinate regulations	10	9	6	6
For major primary laws/ subordinate regulations	6	6	2	3
For some primary laws/ subordinate regulations	10	7	7	9
Never	10	15	22	19
Costa Rica				
European Union				

Source: OECD *Indicators of Regulatory Policy and Governance (iREG)* survey, 2021.

StatLink https://doi.org/10.1787/888934258249

The independence of economic regulators

Economic regulators oversee key network sectors that offer critical services. These regulatory authorities play a key role in market functioning and safeguarding the public interest, intervening at the interface between political authorities, businesses and citizens. Many governments choose to grant a degree of independence to economic regulators to limit political influence over their decision making. This independence, when combined with accountability and transparency measures, maintains their credibility and predictability for investors, operators and consumers. Even the perception of bias can hinder regulators' capacity and credibility as referees mediating between stakeholders and their interests. Robust governance arrangements can safeguard their capacity for technical decision making free from undue influence. Countries can implement a range of such governance arrangements, including establishing legally independent regulators to signal a commitment to long-term goals beyond political cycles.

The OECD Indicators on the Governance of Sector Regulators map the governance arrangements of economic regulators in five network sectors. They show a degree of convergence in the arrangements safeguarding the independence of regulators in OECD countries. This reflects that these regulators have fewer good practice governance arrangements to guarantee their independence, such as rules within which regulators' leadership is appointed and dismissed , limitations on input into certain decisions and processes, and measures to protect budgetary autonomy (Table 7.8).

Many OECD countries have established legally independent regulators. The OECD recommends that countries consider establishing independent regulators to maintain public confidence, competitive neutrality between public and private enterprises, and impartiality for significant decisions. Among OECD countries, 32 out of 37 regulatory bodies (86%) in the energy sector are independent, as are 30 out of 36 (83%) in the e-communications sector and 29 out of 35 (83%) in the rail sector. In the air transport and water sectors, the share of independent regulators is lower, with 15 out of 31 air transport regulators (48%) and 15 out of 20 water regulators (75%) qualifying as independent bodies. Ministerial regulators that are not at arms length from the government are only in the majority in the air transport sector (Figure 7.9).

Methodology and definitions

The OECD Indicators on the Governance of Sector Regulators form part of the work programme of the OECD Network of Economic Regulators and measure the governance of economic regulators in the energy, e-communications, rail transport, air transport and water sectors. The indicators cover regulators in all OECD countries and in many non-OECD countries. The Secretariat derives the indicators from a questionnaire, distributed alongside the OECD's Product Market Regulation survey. In general, respondents to the questionnaire were high-level officials in regulatory agencies and/or relevant ministries. The responses go through a rigorous data verification and validation process by the OECD Secretariat, verifying their completeness, consistency and accuracy in consultation with the respondents. The indicators are calculated by averaging equally weighted questions and sub-questions, to avoid imposing judgements about the importance of elements within the composite indicators. They are mapped on a scale from 0 (most effective governance arrangements) to 6 (least effective governance arrangements), in line with the Product Market Regulation methodology. The process of developing the questionnaire, collecting the data, validating the responses and analysing the results benefitted from the extensive support of the OECD Network of Economic Regulators. For a complete description of the methodology see Casullo et al. (2019).

The indicators are divided into three components: independence, accountability and scope of action. This two-pager analyses the independence component which maps the degree to which a regulator operates independently and with no undue influence from political power and regulated sectors.

Further reading

Casullo, L., A. Durand and F. Cavassini (2019), "The 2018 indicators on the Governance of Sector Regulators – Part of the Product Market Regulation (PMR) Survey", *OECD Economics Department Working Papers*, No. 1564, OECD Publishing, Paris, *https://doi.org/10.1787/a0a28908-en*.

OECD (2014), *The Governance of Regulators*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris, *https://doi.org/10.1787/9789264209015-en*.

OECD (2017), *Creating a Culture of Independence: Practical Guidance against Undue Influence*, The Governance of Regulators, OECD Publishing, Paris, *https://doi.org/10.1787/9789264274198-en*.

Figure notes

7.8. The composite indicator is calculated as an average of component scores, ranging from 0 (the most effective) to 6 (the least effective) governance arrangements.

Grey cells in the table denote no regulator.

The Spanish National Commission of Markets and Competition (CNMC, with indicator data in the energy, e-communications and rail transport sectors) is subject to approval of different Ministries concerning essential decisions to hire and retain its permanent staff and to design and expend its allotted budget. Budget restrictions apply in particular to human resources and the possibility to hire studies or special assistance services, like research or IT. Likewise, any modification of the organisation of the CNMC requires a legal act adopted by the Government.

7.8. Independence indicator scores for regulators in OECD countries by sector, 2018

Note: A higher score indicates that a regulator is further from good practice in the independence component.

	Energy	E-communications	Rail transport	Air transport	Water
Australia	0.96	1.47	1.47	1.47	1.47
Austria	1.47	1.27	0.74	2.53	.
Belgium	1.10	1.02	1.52	1.18	2.69
Canada	2.59	2.89	3.66	3.29	.
Chile	2.61	2.93	3.94	2.38	2.12
Colombia	1.87	1.27	3.29	3.43	1.36
Czech Republic	1.80	1.22	1.58	1.93	2.44
Denmark	2.24	2.29	1.93	2.36	1.56
Estonia	1.67	.	1.67	1.67	1.67
Finland	2.08	1.66	2.32	.	.
France	0.99	1.07	1.39	1.72	.
Germany	2.00	2.10	1.80	.	.
Greece	1.47	1.41	1.62	2.98	.
Hungary	1.41	0.86	2.16	2.21	1.30
Iceland	2.10	2.27	.	.	.
Ireland	1.77	1.44	2.03	1.92	1.52
Israel	1.42	1.80	1.99	1.38	1.49
Italy	1.17	1.18	0.66	0.66	1.17
Japan	2.41	3.25	3.17	2.83	.
Korea	2.27	1.94	.	.	1.78
Latvia	0.88	0.88	1.44	2.57	0.88
Lithuania	1.46	1.54	1.82	2.42	1.46
Luxembourg	1.77	1.77	1.88	1.88	.
Mexico	1.13	0.66	2.79	2.72	.
Netherlands	1.85	1.85	1.85	1.97	2.98
New Zealand	1.81	1.87	2.52	3.18	.
Norway	2.13	2.25	1.58	2.94	.
Poland	1.52	1.85	1.58	2.57	.
Portugal	0.79	1.02	1.02	1.02	0.92
Slovak Republic	1.70	1.02	1.21	.	1.43
Slovenia	1.38	1.27	0.96	.	.
Spain	1.46	1.32	1.16	2.35	.
Sweden	3.43	2.94	2.41	2.84	.
Switzerland	2.70	2.43	2.16	3.41	.
Turkey	1.37	1.82	2.97	1.94	.
United Kingdom	1.27	1.56	1.66	1.51	2.29
United States	1.43	1.88	1.89	3.02	.
US - New York	.	.	.	.	1.70
US - Texas	.	.	.	.	1.59
OECD average	**1.72**	**1.70**	**1.94**	**2.27**	**1.69**

Legend

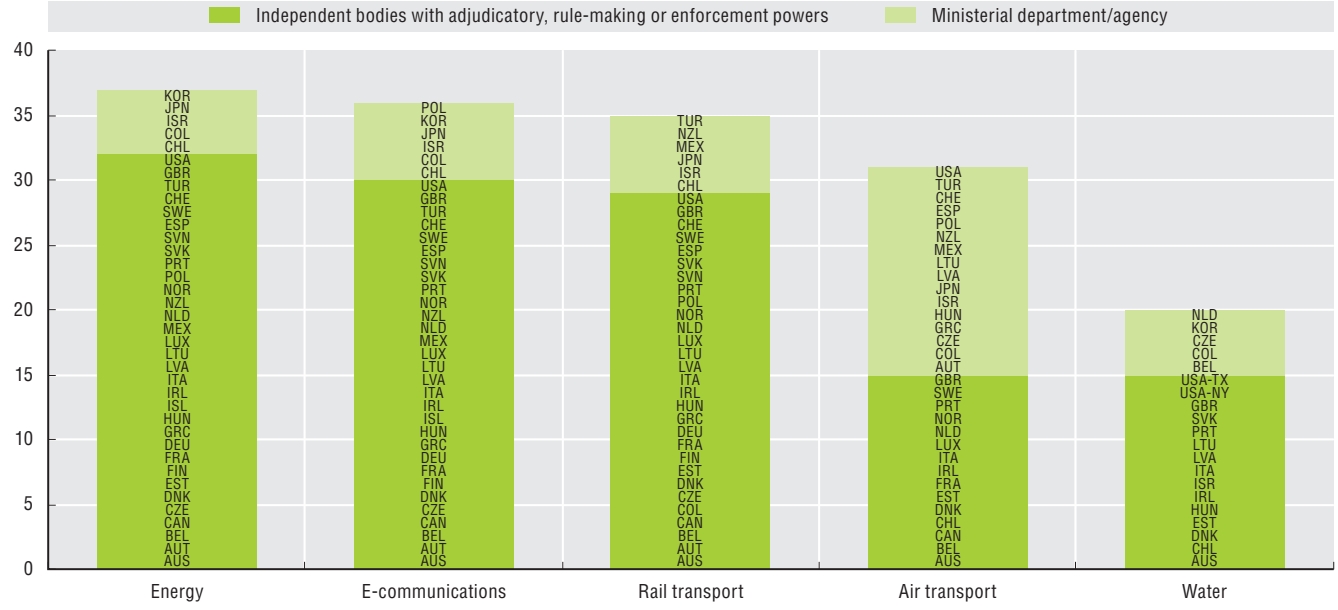
Closer to good practice — Further from good practice

Source: OECD (2018), *Indicators on the Governance of Sector Regulators* (database).

StatLink https://doi.org/10.1787/888934258268

7.9. Independent and ministerial regulators by sector, 2018

Status of regulators in OECD countries, by sector



Source: OECD (2018), *Indicators on the Governance of Sector Regulators* (database).

StatLink https://doi.org/10.1787/888934258287

Accountability arrangements of economic regulators

Ensuring that regulators are accountable for their actions can strengthen their performance and increase transparency. Many economic regulators in OECD countries are independent bodies with a strong degree of autonomy in decision making, and they hold significant powers to regulate key network sectors. Their independence supports public trust in the objectivity and impartiality of their decision making which can, in turn, strengthen the confidence of market actors to make necessary investments in the sector. However, as independent regulators are neither elected nor directly managed by elected officials, there should be a balance between independence and measures that facilitate accountability (OECD, 2014). Governments, businesses and society at large expect regulators to drive sector performance and make efficient use of their resources, without imposing unnecessary regulatory burdens. Robust accountability arrangements can help assess and demonstrate how well economic regulators are delivering this mandate. By showing greater levels of accountability and transparency, regulators can demonstrate their integrity, efficiency and effectiveness.

The 2018 OECD Indicators on the Governance of Sector Regulators map the governance arrangements of regulators across the energy, e-communications, rail transport, air transport and water sectors. On average, energy and e-communications regulators in OECD countries have the strongest accountability arrangements, while those in the transport sectors (air and rail) report the fewest arrangements in line with good practice (Table 7.10). Accountability arrangements are closer to good practice when regulators are directly accountable by law to parliament or congress, consult on their decisions with stakeholders and publish information on the performance of their organisation and the sector (Casullo et al., 2019). In some cases, these accountability mechanisms are a result of a legislative requirement for the regulator, such as the requirement to publish draft decisions and collect feedback. In other cases, regulators proactively enhance their accountability by publishing information without a legislative requirement (Figure 7.11).

The data also confirm that, in practice, independence and accountability are two sides of the same coin. Online Figure G.30. provides an overview of the independence and accountability scores of individual regulators across the energy, e-communications, transport and water sectors in OECD countries. The chart shows a statistically significant correlation between the two (with a Spearman's correlation coefficient of 0.6), meaning that accountability scores tend to be closer to good practice for regulators that are more independent. This correlation is particularly strong for energy and e-communications regulators.

Methodology and definitions

The OECD Indicators on the Governance of Sector Regulators form part of the work programme of the OECD Network of Economic Regulators and measure the governance of economic regulators in the energy, e-communications, rail transport, air transport and water sectors. The indicators cover regulators in all OECD countries and in many non-OECD countries. The Secretariat derives the indicators from a questionnaire, distributed alongside the OECD's Product Market Regulation survey. In general, respondents to the questionnaire were high-level officials in regulatory agencies and/or relevant ministries. The responses undergo a rigorous data verification and validation process by the OECD Secretariat, verifying their completeness, consistency and accuracy in consultation with the respondents. The indicators are calculated by averaging equally weighted questions and sub-questions, to avoid imposing judgements about the importance of elements within the composite indicators. They are mapped on a scale from 0 (most effective governance arrangements) to 6 (least effective governance arrangements), in line with the Product Market Regulation methodology. The process of developing the questionnaire, collecting the data, validating responses, and analysing the results benefitted from the extensive support of the OECD Network of Economic Regulators. For a complete description of the methodology, see Casullo et al. (2019).

The indicators are divided into three components: independence, accountability and scope of action. This two-pager analyses the accountability component with regard to various stakeholders, including government, parliament, regulated industry and the general public.

Further reading

Casullo, L., A. Durand and F. Cavassini (2019), "The 2018 indicators on the Governance of Sector Regulators – Part of the Product Market Regulation (PMR) Survey", *OECD Economics Department Working Papers*, No. 1564, OECD Publishing, Paris, *https://doi.org/10.1787/a0a28908-en*.

OECD (2014), *The Governance of Regulators*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris, *https://doi.org/10.1787/9789264209015-en*.

Figure notes

7.10. The composite indicator is calculated as an average of component scores, ranging from 0 (the most effective) to 6 (the least effective) governance arrangements.

Grey cells denote no regulator in the dataset.

G.30. (Independence and accountability of regulators, 2018) is available online in Annex G.

The Spanish National Commission of Markets and Competition (CNMC, with indicator data in the energy, e-communications and rail transport sectors) is subject to approval of different Ministries concerning essential decisions to hire and retain its permanent staff and to design and expend its allotted budget. Budget restrictions apply in particular to human resources and the possibility to hire studies or special assistance services, like research or IT. Likewise, any modification of the organisation of the CNMC requires a legal act adopted by the Government.

7.10. Accountability indicator scores for OECD regulators by sector, 2018

Note: A higher score indicates that a regulator is further from good practice in the accountability component.

	Energy	E-communications	Rail transport	Air transport	Water
Australia	1.09	0.55	0.70	0.64	0.55
Austria	1.23	0.70	1.45	3.58	.
Belgium	1.64	0.00	4.26	4.26	4.29
Canada	2.18	3.55	2.30	2.88	.
Chile	3.51	2.96	3.84	1.29	1.82
Colombia	1.36	1.36	2.09	3.12	1.71
Czech Republic	1.30	0.34	1.96	3.52	3.49
Denmark	2.05	3.00	2.81	2.78	3.73
Estonia	1.64	.	2.18	2.10	2.18
Finland	1.82	1.36	3.27	.	.
France	1.00	0.57	1.31	3.56	.
Germany	1.25	0.70	0.55	.	.
Greece	0.00	0.65	2.56	4.38	.
Hungary	1.90	0.43	4.13	2.57	1.90
Iceland	1.35	2.00	.	.	.
Ireland	0.55	0.00	1.97	2.10	0.55
Israel	1.17	0.97	2.42	1.43	1.48
Italy	0.82	0.00	0.45	0.45	0.90
Japan	2.38	3.27	2.45	2.73	.
Korea	2.18	0.35	.	.	0.55
Latvia	0.55	0.55	2.04	2.86	0.55
Lithuania	0.58	1.09	1.09	2.81	0.58
Luxembourg	2.64	2.09	2.64	2.84	.
Mexico	1.13	0.00	2.74	2.92	.
Netherlands	1.71	1.90	1.64	1.79	1.64
New Zealand	1.64	1.71	1.40	1.17	.
Norway	2.18	2.45	2.25	2.88	.
Poland	2.75	1.94	2.56	1.25	.
Portugal	0.66	0.62	0.87	0.55	0.81
Slovak Republic	2.01	1.35	4.64	.	0.74
Slovenia	0.22	0.62	2.45	.	.
Spain	0.00	0.00	0.23	1.17	.
Sweden	2.53	3.00	2.31	2.13	.
Switzerland	2.55	1.77	1.51	2.34	.
Turkey	1.75	1.01	1.64	1.45	.
United Kingdom	0.82	1.44	0.31	2.18	2.96
United States	0.55	0.55	1.09	1.45	.
US - New York	.	.	.	.	0.73
US - Texas	.	.	.	.	3.22
OECD average	**1.48**	**1.25**	**2.06**	**2.30**	**1.69**

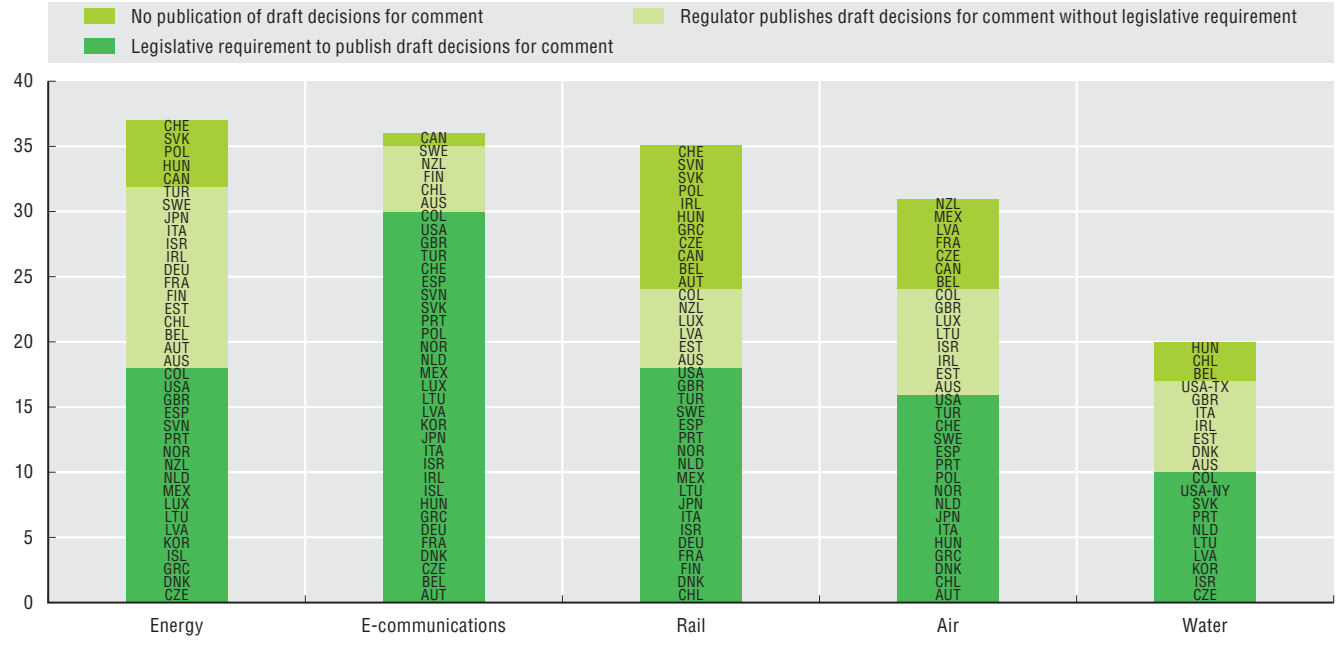
Legend

Closer to good practice — Further from good practice

Source: OECD (2018), *Indicators on the Governance of Sector Regulators* (database).

StatLink https://doi.org/10.1787/888934258306

7.11. Publication of draft decisions for comment by OECD regulators by sector, 2018



Source: OECD (2018), *Indicators on the Governance of Sector Regulators* (database).

StatLink https://doi.org/10.1787/888934258325

Assessing regulators' performance

Economic regulators play an important role in sectors that deliver essential services to citizens and the economy. Robust performance assessment helps regulators understand where to adjust their approach to improve outcomes. According to the OECD Best Practice Principles on the Governance of Regulators, a well-designed performance framework serves multiple goals: demonstrating the effectiveness of the regulator, building confidence in the regulatory system and driving improvements (OECD, 2014). Performance assessment is a critical ingredient for maintaining accountability and fostering transparency, and public bodies are often required to report on results and enable scrutiny of their performance. Data on the performance of both the regulator and the regulated sector are an important ingredient of economic regulators' performance assessment frameworks. The results can also be part of organisational learning, providing inputs into decision making.

Results from the 2018 OECD Indicators on the Governance of Sector Regulators show that energy, e-communications, rail transport, air transport and water sector regulators in OECD countries could strengthen their reporting in some categories of information about their own performance, in order to produce a more holistic view of performance and to enhance accountability. For example, some regulators collect (78%) and publish (57%) performance information about the quality of the regulatory process (Table 7.12). This type of organisational performance information should be complemented by outward-looking performance information assessing the performance of the sector and final outcomes for customers. Many regulators do not collect or publish information in the other categories relevant to organisational performance and efficiency: compliance with legal obligations, organisational governance, and the operational service delivery of the regulator (Online Figure G.31). The most commonly collected and reported information across sectors and countries is on the performance of the regulated sector and the financial performance of the regulator.

Methodology and definitions

The OECD Indicators on the Governance of Sector Regulators form part of the work programme of the OECD Network of Economic Regulators and measure the governance of economic regulators in the energy, e-communications, rail transport, air transport and water sectors. The indicators cover regulators in all OECD countries and in many non-OECD countries. The Secretariat derives the indicators from a questionnaire, distributed alongside the OECD's Product Market Regulation survey. In general, respondents to the questionnaire were high-level officials in regulatory agencies and/or relevant ministries. The responses undergo a rigorous data verification and validation process by the OECD Secretariat, verifying their completeness, consistency and accuracy in consultation with the respondents. The indicators are calculated by averaging equally weighted questions and sub-questions, to avoid imposing judgements about the importance of elements within the composite indicators. They are mapped on a scale from 0 (most effective governance arrangements) to 6 (least effective governance arrangements), in line with the Product Market Regulation methodology. The process of developing the questionnaire, collecting the data, validating responses, and analysing the results benefitted from the extensive support of the OECD Network of Economic Regulators. For a complete description of the methodology, see Casullo et al. (2019).

The indicators are divided into three components: independence, accountability and scope of action. The questions on performance fall within the accountability component, which covers the accountability of the regulator with regard to various stakeholders, including government, parliament, regulated industry and the general public.

Compliance with legal obligations refers to information on the regulator's compliance with legal requirements, such as the fulfilment of information obligations or the proportion of decisions taken that are upheld.

Quality of the regulatory process refers to information on the performance of tools and processes used in decision making, such as impact assessment, stakeholder engagement and *ex post* evaluation.

Organisational/corporate governance performance refers to information on the internal functioning of the regulator, such as the timeliness of completion of planned activities, staff survey results and leadership performance information.

Operational service delivery refers to information on the delivery of the functions and responsibilities of the regulator, such as the number of inspections or provision of licences.

Further reading

Casullo, L., A. Durand and F. Cavassini (2019), "The 2018 indicators on the Governance of Sector Regulators – Part of the Product Market Regulation (PMR) Survey", *OECD Economics Department Working Papers*, No. 1564, OECD Publishing, Paris, *https://doi.org/10.1787/a0a28908-en*.

OECD (2014), *The Governance of Regulators*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris, *https://doi.org/10.1787/9789264209015-en*.

Figure notes

G.31. (Types of performance information collected and published by regulators, 2018) is available online in Annex G.

7.12. Collection and publication of information on the quality of regulatory process, 2018

Respondents indicating that they (a) collect and (b) publish information about the quality of the regulatory process, by country and sector.

	Energy		E-communications		Rail transport		Air transport		Water	
	Collect	Publish	Collect	Publish	Collect	Publish	Collect	Publish	Collect	Publish
Australia	●	●	●	●	●	●	●	●	●	●
Austria	●	●	●	○	●	●	●	○	-	-
Belgium	●	●	●	●	●	○	●	○	●	○
Canada	●	●	●	●	●	●	●	●	-	-
Chile	●	○	○	○	○	○	●	○	●	●
Colombia	●	○	●	●	●	○	○	○	●	●
Czech Republic	●	○	○	○	○	○	●	○	○	○
Denmark	○	○	○	○	○	○	●	○	●	○
Estonia	●	●	-	-	●	●	○	○	●	●
Finland	●	●	●	●	●	○	-	-	-	-
France	●	●	○	○	○	○	○	○	-	-
Germany	●	●	○	○	○	○	-	-	-	-
Greece	●	●	○	○	○	○	○	○	-	-
Hungary	●	●	○	○	○	○	●	○	●	●
Iceland	●	●	○	○	-	-	-	-	-	-
Ireland	●	●	●	●	●	●	●	○	●	●
Israel	●	●	●	●	●	●	●	○	●	●
Italy	●	●	●	●	●	●	●	●	●	●
Japan	●	○	○	○	●	○	○	○	-	-
Korea	●	●	●	●	-	-	-	-	●	●
Latvia	●	●	●	●	○	○	●	○	●	●
Lithuania	●	●	●	●	●	●	●	●	●	●
Luxembourg	●	●	●	●	●	●	●	●	-	-
Mexico	●	●	●	●	●	○	●	○	-	-
Netherlands	●	●	●	●	●	●	●	●	●	●
New Zealand	●	●	○	○	●	●	●	●	-	-
Norway	●	●	●	●	●	●	●	●	-	-
Poland	○	○	●	○	●	○	●	○	-	-
Portugal	○	○	○	○	●	○	●	●	●	○
Slovak Republic	○	○	●	○	○	○	-	-	○	○
Slovenia	●	●	●	○	●	●	-	-	-	-
Spain	●	●	●	●	○	○	●	●	-	-
Sweden	●	●	●	●	●	●	●	●	-	-
Switzerland	●	●	○	○	●	○	●	○	-	-
Turkey	●	○	○	●	●	○	●	●	-	-
United Kingdom	●	●	●	●	●	○	●	●	●	○
United States	●	●	●	●	●	●	●	●	-	-
US - New York	-	-	-	-	-	-	-	-	●	●
US - Texas	-	-	-	-	-	-	-	-	○	○
OECD Total										
● Yes	33	28	23	20	25	15	26	14	17	13
○ No	4	9	13	16	10	20	5	17	3	7
- not applicable	2	2	3	3	4	4	8	8	19	19

Source: OECD (2018), *Indicators on the Governance of Sector Regulators* (database).

StatLink https://doi.org/10.1787/888934258344

8. PUBLIC PROCUREMENT

Size of public procurement

Strategic public procurement for delivering social value

E-procurement and integration with public financial management

Managing emergency procurement and risks

Professionalisation of public procurement

Size of public procurement

Governments procure large amounts of goods and services to help them implement policies and deliver public services. As has been demonstrated during the COVID-19 crisis, public procurement strategies, practices and systems directly affect the quality of life and wellbeing of citizens. It is important that countries aim for maximum efficiency, effectiveness and value for money in public procurement.

Public procurement expenditure as a percentage of GDP increased slightly across the OECD over the last decade, from 11.8% of GDP in 2008 to 12.6% of GDP in 2019. The COVID-19 pandemic led to a spike in public procurement relative to GDP in 2020. Among 22 OECD-EU countries for which data is available, public procurement increased from 13.7% of GDP in 2019 to 14.9% of GDP in 2020. Other countries also saw significant increases such as Norway (from 15.8% to 17.1%) and the United Kingdom (13.2% to 16.1%) (Figure 8.1). These increases are due both to governments purchasing goods and services to support their COVID-19 responses, and to GDP falling as a result of the crisis.

Public procurement as a share of total government expenditure decreased across all responding OECD countries by 1-2 percentage points in 2020 compared to 2019. This is because non-procurement government expenditure grew faster than procurement expenditure. Support packages provided by governments in response to the pandemic have drastically increased total government expenditure (53.6% of GDP in OECD-EU countries on average in 2020). The distribution between central and sub-national governments' overall public procurement spending remains broadly unchanged with 64% of OECD-EU countries' procurement spending taking place at the sub-national level (Online Figure G.33).

Public procurement is used across all government spending functions, from health to environmental protection, public order and economic affairs (comprising infrastructure, transport, communication, energy, and research and development). Health expenditure represented the largest share of public procurement spending, averaging 29.3% across OECD countries in 2019. In Italy, Japan and the Slovak Republic, almost 45% of public expenditure for procurement was in the health sector (Table 8.2). Notable exceptions to this include Lithuania and the United States, where economic affairs represented the largest share of government spending, and Switzerland, where general public services and social protection formed the largest share. The next largest areas of public procurement spending across OECD countries were economic affairs (16.7%), education (11.6%), defence (10.5%) and social protection (10.0%) with relatively little variability among countries (Online Figure G.32).

Methodology and definitions

The size of general government procurement spending is estimated using data from the *OECD National Accounts Statistics (database)*, based on the *System of National Accounts (SNA)*. General government procurement is defined as the sum of intermediate consumption (goods and services purchased by governments for their own use, such as accounting or information technology services), gross fixed capital formation (acquisition of capital excluding sales of fixed assets, such as building new roads) and social transfers in kind via market producers (purchases by general government of goods and services produced by market producers and supplied to households). Public corporations were excluded in the estimation of procurement spending. Data on general government procurement spending are disaggregated according to the Classification of the Functions of Government (COFOG) in Table 8.2. Further information about the types of expenditure included in each category is available in Annex C.

Further reading

OECD (2015), *Recommendation of the Council on Public Procurement*, OECD, Paris, OECD/LEGAL/0411.

OECD (2019), *Productivity in Public Procurement: A Case Study of Finland: Measuring the Efficiency and Effectiveness of Public Procurement*, OECD, Paris, *www.oecd.org/gov/public-procurement/publications/productivity-public-procurement.pdf*.

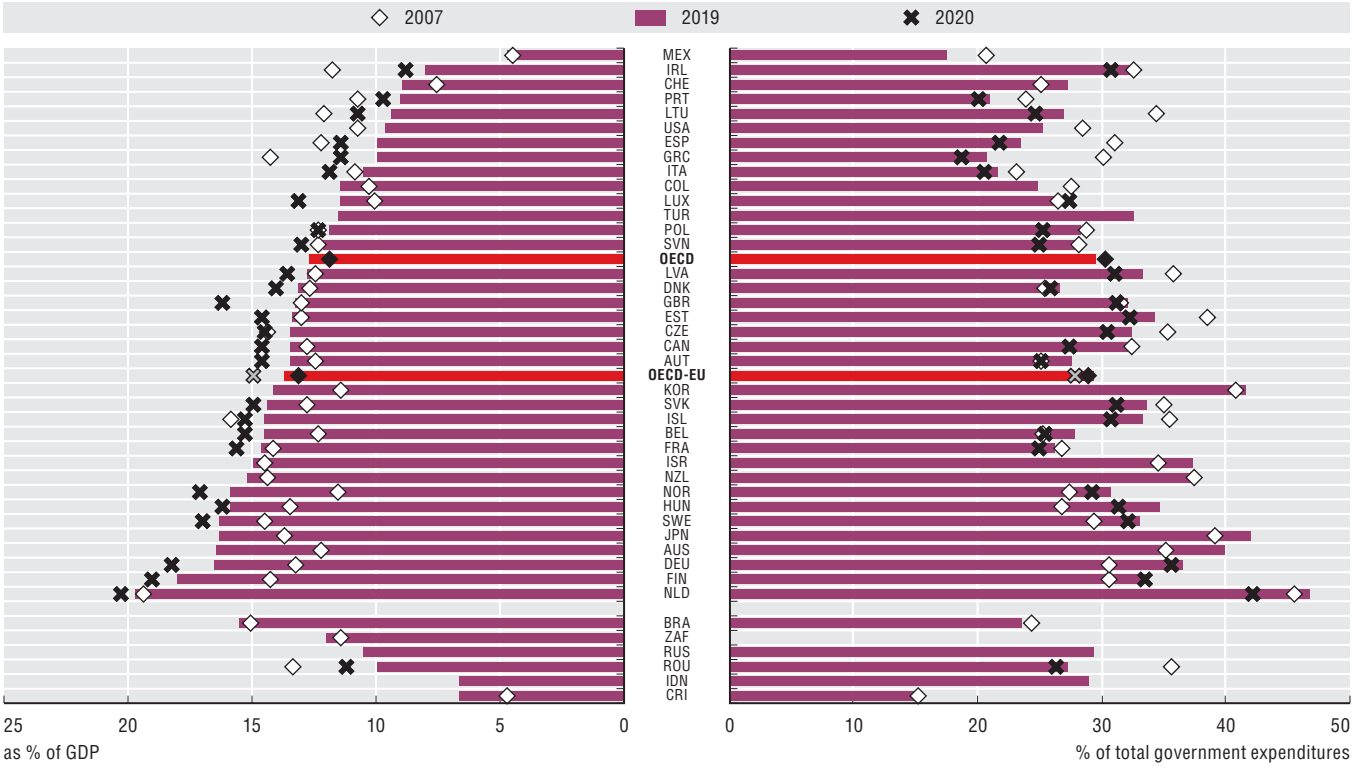
Figure notes

Figure 8.1. Data for Chile are not available. Data for Turkey are not included in the OECD average because of missing time series. A large share of general government procurement in the Netherlands is spent on social transfers in kind via market producers (via scholastic grants and mandatory health insurance systems). Data for Japan and Brazil and Russia are for 2018 rather than 2019.

Table 8.2. Data for Australia, Canada, Colombia, Mexico, New Zealand and Turkey are not available. Data for Chile are not included in the OECD average due to missing time series. Data for Chile includes changes in inventories and acquisitions less disposals of valuables. Data for Chile, Japan and Korea are for 2018 rather than 2019.

G.32. (Change in the structure of general government procurement spending by function, 2012 to 2019) and G.33. (General government procurement spending by level of government, 2007, 2019 and 2020) are available online in Annex G.

8.1. General government procurement spending as a percentage of GDP and total government expenditures, 2007, 2019 and 2020



Source: *OECD National Accounts Statistics* (database). Data for Australia are based on a combination of Government Finance Statistics and National Accounts data provided by the Australian Bureau of Statistics.

StatLink https://doi.org/10.1787/888934258363

8.2. General government procurement spending by function as a percentage of total procurement spending, 2019

Country	General public services	Defence	Public order and safety	Economic affairs	Environmental protection	Housing and community amenities	Health	Recreation, culture and religion	Education	Social protection
Austria	11.8	1.6	3.0	21.4	1.3	0.7	36.3	3.9	9.1	10.9
Belgium	12.7	1.5	2.0	13.1	2.8	1.1	46.7	3.1	6.7	10.3
Chile	4.8	7.9	8.0	13.5	1.3	6.3	25.3	2.1	20.5	10.3
Czech Republic	8.6	2.5	4.1	22.3	5.0	3.4	32.5	5.4	11.5	4.7
Denmark	15.0	5.0	2.8	10.4	1.3	0.7	32.0	5.2	12.0	15.8
Estonia	9.5	10.7	3.9	18.1	3.7	2.4	24.8	6.8	15.7	4.4
Finland	22.6	3.8	2.3	12.8	0.5	1.1	23.0	4.1	11.8	18.0
France	7.3	6.2	2.5	13.0	4.2	3.5	38.1	4.8	6.5	13.8
Germany	11.2	4.0	3.2	9.2	2.1	1.1	39.6	3.4	6.7	19.4
Greece	18.0	4.4	1.6	15.3	5.1	1.7	38.6	3.3	7.7	4.1
Hungary	18.2	3.9	3.9	29.5	2.4	2.2	18.3	8.7	8.7	4.1
Iceland	7.5	0.4	3.8	20.3	2.4	2.4	25.7	8.7	19.0	9.8
Ireland	5.5	0.9	4.6	15.3	2.7	5.6	31.1	3.9	9.2	21.2
Israel	6.6	21.0	3.4	5.9	2.5	2.4	27.5	5.2	15.1	10.3
Italy	13.4	3.6	3.5	12.3	6.9	3.3	42.3	4.1	5.1	5.6
Japan	6.5	3.3	1.9	14.4	5.7	2.1	44.4	1.6	6.3	13.9
Korea	5.7	11.6	2.8	15.6	3.9	6.1	32.2	2.8	12.5	6.8
Latvia	7.9	7.1	4.4	19.9	3.6	4.0	28.4	5.5	12.3	6.7
Lithuania	7.6	11.1	5.4	23.2	2.8	6.0	14.7	6.0	17.1	6.2
Luxembourg	15.1	1.3	3.1	21.4	4.4	2.2	21.6	5.9	7.9	17.1
Netherlands	6.2	3.2	3.5	11.4	4.8	1.5	35.9	3.2	8.4	21.8
Norway	10.0	7.9	3.0	22.9	4.0	3.9	24.4	4.9	9.9	9.2
Poland	6.2	6.0	4.3	27.0	3.0	4.0	28.8	5.9	11.3	3.6
Portugal	12.8	2.7	3.3	21.1	3.9	3.3	35.3	4.7	9.3	3.6
Slovak Republic	8.8	3.6	4.3	21.1	3.7	2.5	43.6	3.4	6.8	2.1
Slovenia	10.2	2.7	3.4	22.7	2.9	2.9	31.5	5.1	13.3	5.4
Spain	10.8	3.2	2.8	14.8	6.8	3.0	32.4	6.1	10.9	9.3
Sweden	18.7	4.5	2.9	13.6	2.1	2.9	21.7	3.7	16.1	13.7
Switzerland	21.8	6.0	5.7	15.6	4.0	1.4	1.9	3.1	18.8	21.6
United Kingdom	3.7	10.3	6.0	14.3	3.8	3.4	32.1	2.8	10.0	13.6
United States	10.4	21.7	6.1	22.3	0.0	2.4	13.6	1.7	18.5	3.2
OECD	9.4	10.5	4.1	16.7	2.8	2.6	29.3	3.0	11.6	10.0
OECD-EU	10.7	4.2	3.2	13.8	3.7	2.4	36.4	4.3	8.1	13.4
Costa Rica	4.7	0.0	7.7	13.5	3.7	4.5	35.4	1.8	21.2	7.6
Romania	8.7	3.6	2.8	29.7	4.5	8.6	26.9	5.2	6.6	3.6

Source: *OECD National Accounts Statistics* (database); *Eurostat Government Finance Statistics* (database).

StatLink https://doi.org/10.1787/888934258382

Strategic public procurement for delivering social value

Used strategically, public procurement can contribute to the 2030 Agenda for Sustainable Development by supporting a more resource-efficient economy, stimulating innovation, supporting small and medium-sized enterprises (SMEs) and promoting social values. In recent years, citizens' expectations have risen, with calls for greater accountability in government purchasing decisions, increasing the need to consider broader outcomes and multi-dimensional risks, including in global supply chains. As large buyers, governments have the power to set standards that can shift markets towards more responsible business conduct (RBC) and levelling the playing field for suppliers who strive to implement RBC standards.

Among 27 countries surveyed (26 OECD countries and 1 partner, Brazil), all use enhanced public procurement frameworks to promote at least one of the RBC objectives covered, whether by regulation or strategy, but only a few address all of them. All countries have a framework to support environmental objectives in public procurement, 70% have a framework for human rights, 41% have a framework for gender considerations and 48% for minority issues (Figure 8.3). For example, Chile introduced a programme to promote the participation of companies led by women in the public procurement market, and in Iceland and Switzerland suppliers must have equal pay between men and women to participate in tenders. In Canada, the Policy on Ethical Procurement of Apparel requires suppliers of apparel to the government to certify that they and their first-tier subcontractors comply with local laws and international standards on labour and human rights.

RBC frameworks do not systematically apply to the full supply chain. Only 40% of countries apply integrity considerations to the entire supply chain, 10% do so for objectives related to taking on the long-term unemployed, and 8% for gender considerations (Figure 8.4). Sweden's legislation on labour law requirements is currently integrating objectives related to human rights and labour rights along the full supply chain, and modern slavery acts in Australia and the United Kindgom address modern slavery and human trafficking in the supply chains of public sector suppliers.

When it comes to sanctions, 15 out of 25 OECD countries (60%) foresee actions against suppliers infringing RBC standards in their supply chains, while 10 countries (40%) require a change in suppliers in the event of violations (see Online Table G.34). Canada has certification frameworks in place to identify breaches of human and labour rights in supply chains. Maintaining this certification is an obligation of the main contractor. In New Zealand, the regulatory framework does not mandate sanctions, but procuring entities have the discretion to apply appropriate sanctions.

Countries are inconsistent in how they monitor and follow up RBC objectives. Only environmental considerations are monitored routinely, with 88% of countries monitoring them at least partly. In contrast, considerations on the inclusion of minorities are only monitored by 32% of countries (see Online Figure G.35).

Methodology and definitions

Data were collected through the 2020 OECD Survey on Leveraging Responsible Business Conduct through Public Procurement, which sought to better understand the incorporation of RBC objectives into public procurement procedures. Twenty-six OECD countries and one OECD partner (Brazil) responded to the survey. Respondents were country delegates responsible for procurement policies at the central government level.

Responsible business conduct (RBC) acknowledges and encourages the positive contributions that business can make to economic, environmental and social progress. It also recognises that business activities through global supply chains can result in adverse impacts on people, society and the environment. The survey covered the following RBC objectives: environment, human rights, labour rights, minority considerations, people with disabilities, long-term unemployed people, gender considerations and integrity.

In this section, a regulatory framework is defined as a system of rules such as laws, decrees, cabinet directions or any other legal documents that govern and regulate specific policies. A strategic framework is defined as a high-level document approved by national authorities, such as parliament and government that sets out a country's policy goals and ambitions for a specific sector or area of public policy such as health care or the environment. Strategic frameworks can also include targets, roadmaps and action plans.

Further reading

OECD (2020), *Integrating Responsible Business Conduct in Public Procurement*, OECD Publishing, Paris, *https://doi.org/10.1787/02682b01-en*.

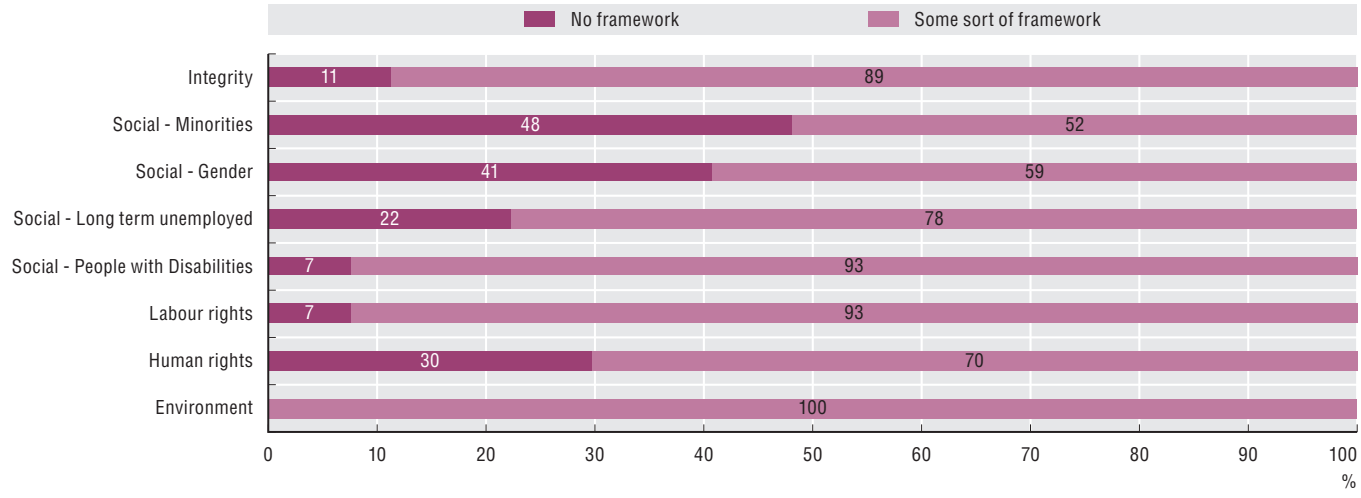
Figure notes

Data for Austria, Chile, Greece, Iceland, Ireland, Luxembourg, Portugal, Turkey, the United Kingdom and the United States are not available.

8.4. "No, voluntary" represents the percentage of countries that have a framework in place, but where application of the framework to the supply chain is voluntary, i.e. for discretionary decisions.

G.34 (Countries with provisions for action against infringements of RBC standards, 2020) and G.35 (Percentage of countries that monitor implementation of RBC objectives in public procurement, 2020) are available online in Annex G.

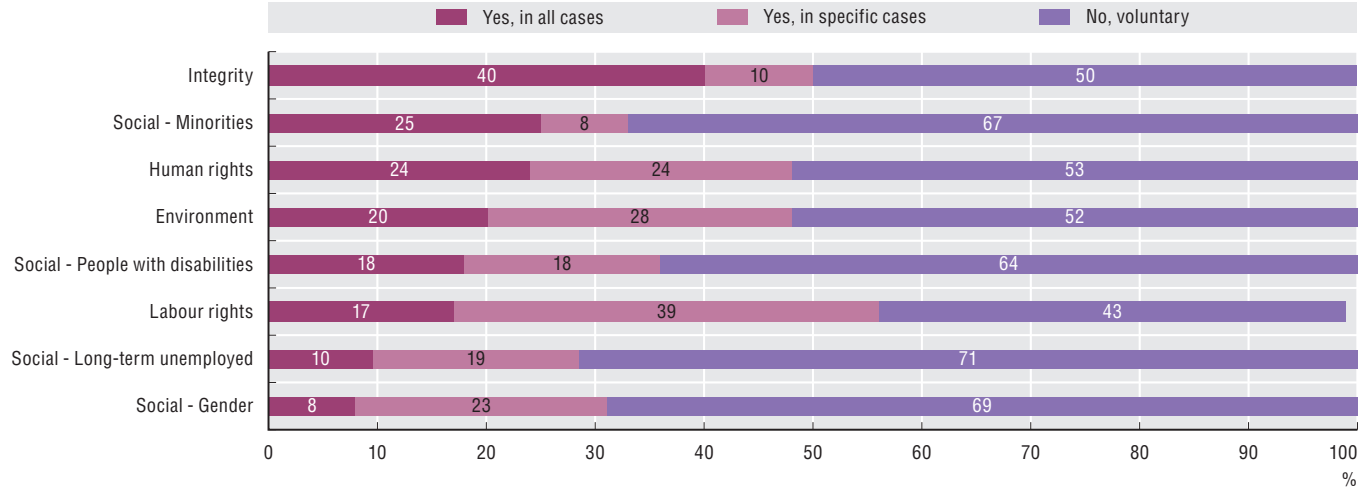
8.3. Share of countries that have any type of framework to support RBC objectives 2020



Source: OECD (2020), *Survey on Leveraging Responsible Business Conduct through Public Procurement*.

StatLink https://doi.org/10.1787/888934258401

8.4. Share of countries applying regulatory or strategic frameworks in the supply chain, 2020



Source: OECD (2020), *Survey on Leveraging Responsible Business Conduct through Public Procurement*.

StatLink https://doi.org/10.1787/888934258420

E-procurement and integration with public financial management

Public procurement plays a critical role in the public financial management cycle, notably during budget execution. Linking public procurement procedures with other public financial management systems is considered an essential part of ensuring efficient and sound public financial management, as well as helping to flag up potential cost overruns, spending and demand trends, and possible improprieties.

Countries are harnessing digital technologies to achieve better outcomes and deliver public services more effectively and efficiently. By progressively digitalising their operations, public administrations can support seamless interactions with their citizens and businesses. E-procurement systems can significantly enhance visibility about how public money is spent, help fight corruption and increase the efficiency of public procurement. They save money and time by reducing administrative burdens and potential mistakes that might arise during public procurement cycles.

Recognising these benefits, countries have digitalised their public procurement processes and expanded their IT tools to cover more of procurement cycle. In 2018, the OECD survey found that all 32 OECD countries that responded used their central e-procurement system, or that of specific procuring entities, to announce tenders, provide tender documents and notify contract awards. Transactional functionalities were less developed: 31 out of 32 (97%) of the countries used electronic bid submission, but just 20 (63%) used electronic submission of invoices (OECD, 2019a).

More advanced e-procurement functionalities are also being developed: 26 out of 33 countries (32 OECD countries plus Costa Rica, or 82%), publish procurement plans to communicate government needs, 20 (61%) have introduced *ex post* contract management; 21 (64%) use supplier registries, 23 (70%) framework agreement modules and 13 (39%) business intelligence functionalities (Table 8.5). For instance, Israel provides a contract management function that allows internal government users to create a variety of procurement reports, and in Lithuania, information on concluded contracts is transferred from the national e-procurement system to the e-invoicing systems, which helps to track the implementation of specific contracts. In some countries, like Canada and Colombia, business intelligence modules are provided in a separate IT system.

The survey data also suggest that many OECD countries have integrated their public procurement systems with their public financial management system, with 26 out of 30 (87%) OECD countries (plus Costa Rica) planning public procurement in line with budget planning (Figure 8.6). In 25 OECD countries (83%) and Costa Rica public entities are required to certify budget availability before starting public procurement (Figure 8.7).

Methodology and definitions

Data were collected through the 2018 OECD Survey on the Implementation of the 2015 OECD Recommendation on Public Procurement. The survey focused on each of the 12 principles in the recommendation. It was the first OECD public procurement survey to cover issues such as performance management, procurement workforce capacity and integrity in public procurement. Thirty-two OECD countries and one accession country (Costa Rica) responded. Respondents were country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies.

E-procurement refers to the integration of digital technologies to replace or redesign paper-based procedures throughout the procurement cycle. The public procurement cycle refers to the sequence of procurement activities from needs assessment, competition and award, to payment and contract management, as well as any subsequent monitoring or auditing.

Further reading

OECD (2019a), *Government at a Glance 2019*, OECD Publishing, Paris, *https://doi.org/10.1787/8ccf5c38-en*.

OECD (2019b), *Reforming Public Procurement: Progress in Implementing the 2015 OECD Recommendation*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/1de41738-en*.

OECD (2018), *Mexico's e-Procurement System: Redesigning CompraNet through Stakeholder Engagement*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://dx.doi.org/10.1787/9789264287426-en*.

Figure notes

Data for the Czech Republic, Luxembourg, Switzerland, the United Kingdom and the United States are not available.

8.5. Several respondents highlighted the legitimate need to protect trade secrets and proprietary information, particularly regarding contract texts. Germany responded that contracts generally contain sensitive information that neither contracting authorities nor suppliers are free to publish. In the Netherlands contract texts may be available in a redacted form (for instance omitting the precise value of the contract). Hungary and Ireland updated the information on e-procurement functionalities that they adopted at a certain level of government after 2018: electronic submission of invoices and business intelligence module (both Hungary and Ireland), framework agreement modules and *ex post* contract management (Hungary only). Poland has an e-invoicing system, but it is independent of e-procurement.

8.6 and 8.7. Data for Colombia, Italy and Sweden are not available.

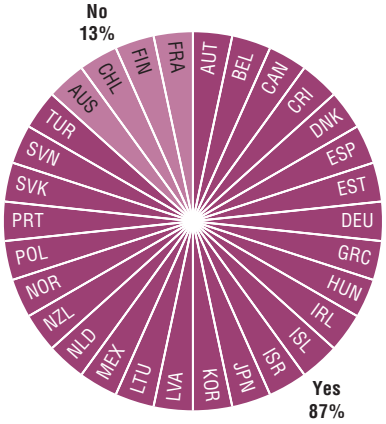
8.5. Provision of e-procurement functionalities, 2018

	Publishing procurement plans (about forecasted government needs)	Electronic submission of bids (excluding by email)	Electronic submission of invoices (excluding by email)	Ex post contract management	Supplier registry	Framework agreements module	Business intelligence module
Australia	●	●	○	○	●	●	○
Austria	♦	●♦	●	○	♦	♦	♦
Belgium	●	●	♦	♦	●	●	♦
Canada	○	♦	♦	○	♦	○	○
Chile	●	●	○	●	●	●	●
Colombia	●	●	●	●	●	●	○
Denmark	●♦	●♦	●♦	♦	♦	○	○
Estonia	♦	●	♦	●♦	●	●♦	●
Finland	♦	●	●	♦	○	●	○
France	●	●	●	○	○	○	●
Germany	♦	●♦	○	○	●♦	●♦	●♦
Greece	○	●	○	●	●	●	●
Hungary	●	●	○	○	●	○	○
Iceland	●	♦	●	♦	○	♦	○
Ireland	●	●	○	○	○	○	○
Israel	○	○	●	●	○	○	●
Italy	●♦	●♦	●♦	♦	●♦	●♦	●♦
Japan	●♦	●♦	●♦	●♦	●♦	○	○
Korea	●	●	●	●	●	●	●
Latvia	●	●	●	●♦	○	●	○
Lithuania	●	●	♦	●	●	♦	○
Mexico	●	●	○	○	●	●	●
Netherlands	●	●	○	○	○	●	○
New Zealand	●	●	♦	○	○	○	○
Norway	●	♦	♦	♦	○	♦	○
Poland	●♦	●♦	○	○	○	○	○
Portugal	●	●	○	○	○	♦	○
Slovak Republic	○	●	○	●	●	●	○
Slovenia	○	●	●	○	○	○	○
Spain	●	●	●	●	●	●	○
Sweden	○	♦	♦	♦	♦	♦	♦
Turkey	●	●	○	●	●	●	●
OECD Total							
● Provided in a central e-procurement system	18	21	10	9	13	13	8
●♦ Provided by both a central e-procurement system and that of specific procuring entities	4	6	3	3	3	3	2
♦ Provided in specific procuring entities' e-procurement systems	4	4	7	7	4	6	3
○ Not provided	6	1	12	13	12	10	19
Costa Rica	●	●	●	●	●	●	○

Source: OECD (2018), *Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement*.

StatLink https://doi.org/10.1787/888934258439

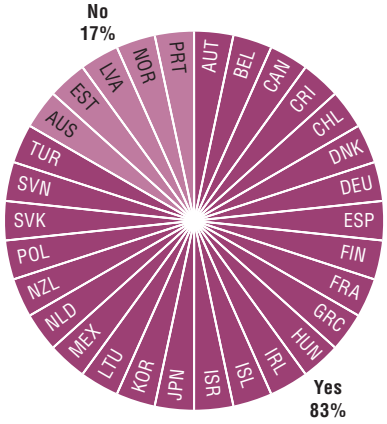
8.6. Integration of procurement planning with budget planning, 2018



Source: OECD (2018), *Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement*.

StatLink https://doi.org/10.1787/888934258458

8.7. Mechanism to ensure budget availability before starting procurement procedures, 2018



Source: OECD (2018), *Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement*.

StatLink https://doi.org/10.1787/888934258477

Managing emergency procurement and risks

The COVID-19 pandemic brought to the fore a generalised use of emergency procurement for essential goods and services, highlighting the importance of identifying and managing risks in public procurement systems and processes. The pandemic affected the way governments plan (at different levels), conduct procurement, and manage their ongoing contracts, not only for health products and services, but also for the goods, services and infrastructure needed to provide essential public services. Prior to the pandemic, only a few countries, such as Finland, already had a public procurement strategy in place as part of crisis preparedness, for instance through stockpiling. Most countries have been forced to rethink their risk management strategies and put measures in place that can be activated in the event of a shock.

The majority of governments relied on their existing procurement frameworks with standard exceptions for urgency and emergencies. According to data collected by the OECD on public procurement, infrastructure governance and initial responses to the COVID-19 crisis from 29 OECD countries plus Costa Rica, 14 countries (46.7%) introduced temporary public procurement regulations (e.g. France), or developed additional COVID-19 legislation with specific public procurement provisions, as Slovenia did. However, 25 countries (86%) developed specific guidance to support public buyers conducting procurement during the crisis, from detailing emergency procedures to implementing changes in ongoing contracts or using specific payments terms, as done in Austria (Table 8.8).

Further, 19 out of 29 OECD countries (63.3%) have increased the co-ordination or centralisation of the procurement of essential goods, including not just health products but also IT equipment and services (Table 8.8). Belgium has set up a task force to monitor supplies and communicate orders. In Italy, Consip, the Italian central purchasing body, was given the mandate to centrally procure goods and services needed to respond to the crisis.

Since public contracts represent a significant source of revenue for suppliers of all sizes, 12 out of 29 OECD countries (41%), such as Spain, have put measures in place to support businesses such as extending deadlines for the completion of contracts or providing advance payments (Table 8.8).

The pandemic highlighted a number of procurement risks and associated mitigation measures, but even before the crisis there were efforts to take more of a risk-based approach to public procurement. Initially focusing on integrity threats, in recent years countries have paid increasing attention to other risks that could significantly affect the outcome and impact of public procurement, including operational, financial, reputational, social and environmental, and other contextual risks.

In fact, compared with data gathered in 2016, data from the 2018 OECD Survey on the Implementation of the 2015 OECD Recommendation on Public Procurement show an increasing number of respondents have developed a procurement risk management strategy. Despite this, 43% of respondents still do not have any tools to assess public procurement risks. Among the tools that have been implemented, 9 out of 29 OECD countries (31%) had developed risk databases, 7 (24%) had a risk assessment methodology, 5 (17%) have a risk register and 4 (14%) have risk assessment results (Figure 8.9). For instance, in New Zealand, mandated government agencies must follow guidance on assessing and managing risks, which foresees different obligations, including submitting information on management of high-risk contracts for critical services.

Methodology and definitions

Data were collected through the 2018 OECD Survey on the Implementation of the 2015 OECD Recommendation on Public Procurement. Thirty-one OECD countries and one accession country (Costa Rica) responded to the survey. Respondents were country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies. Additional data were collected through research developed by the OECD on public procurement and infrastructure governance: initial responses to the coronavirus (COVID-19) crisis and validated by countries.

Further reading

OECD (2020a), "Stocktaking report on immediate public procurement and infrastructure responses to COVID-19", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/248d0646-en*.

OECD (2020b), "Public procurement and infrastructure governance: Initial policy responses to the coronavirus (Covid-19) crisis", *OECD Policy Responses to Coronavirus (COVID-19)*, OECD Publishing, Paris, *https://doi.org/10.1787/c0ab0a96-en*.

OECD (2019), *Reforming Public Procurement: Progress in Implementing the 2015 OECD Recommendation*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/1de41738-en*.

Figure notes

8.8. Data for Canada, the Czech Republic, Denmark, Hungary, Israel, Mexico, Portugal and Turkey are not available.

8.9. Data for Colombia, the Czech Republic, Iceland, Luxembourg, the Netherlands, Switzerland, the United Kingdom and the United States are not available.

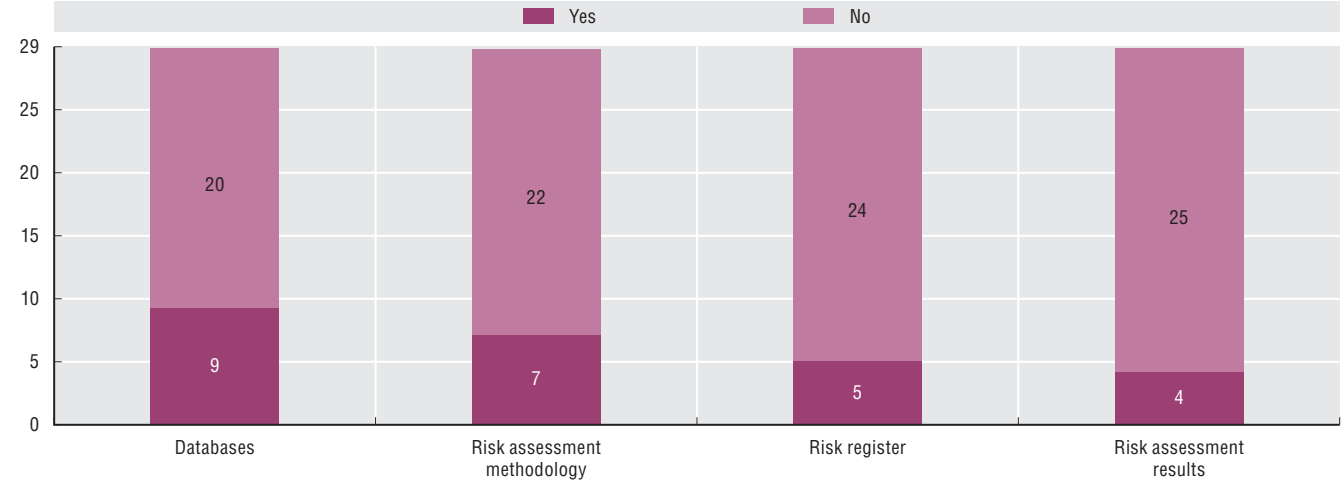
8.8. Public procurement measures implemented between March and June 2020 to respond to the COVID-19 outbreak, 2020

	Guidance	Centralisation	Supporting businesses	Changes in regulations
Australia	●	○	○	○
Austria	●	●	○	●
Belgium	●	●	●	○
Chile	●	○	○	○
Colombia	●	○	●	●
Estonia	●	●	○	○
Finland	○	●	○	○
France	○	●	●	●
Germany	●	●	○	○
Greece	●	○	○	●
Iceland	●	○	○	○
Ireland	●	●	●	○
Italy	●	●	●	●
Japan	●	○	○	●
Korea	●	●	●	●
Latvia	●	●	○	●
Lithuania	●	●	○	●
Luxembourg	○	●	○	●
Netherlands	●	○	○	○
New Zealand	●	●	●	○
Norway	●	○	○	○
Poland	●	●	●	●
Slovak Republic	●	●	○	●
Slovenia	●	●	●	●
Spain	○	●	●	○
Sweden	●	●	●	○
Switzerland	●	●	○	●
United Kingdom	●	○	●	○
United States	●	○	○	○
OECD Total				
● Yes	25	19	12	14
○ No	4	10	17	15
Costa Rica	●	○	○	○

Source: OECD (2020), "Stocktaking report on immediate public procurement and infrastructure responses to COVID-19".

StatLink https://doi.org/10.1787/888934258496

8.9. Number of countries with tools in place to assess public procurement risks, 2018



Source: OECD (2018), *Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement*.

StatLink https://doi.org/10.1787/888934258515

Professionalisation of public procurement

Public procurement is becoming increasingly complex as more demands are placed on procurement professionals. These range from delivering goods, services and public works that underpin public services, to ensuring the resilience and productivity of processes, and implementing strategic policy goals. For some time, governments have used procurement as a strategic tool to deliver on several policy fronts, such as supporting the green transition, implementing the Sustainable Development Goals and, more broadly, inclusive growth. In recent years, policy makers have increasingly sought to tap its potential to advance public objectives. Expectations have evolved from achieving value for money to providing tangible benefits to citizens. The purchase of essential goods at the height of the COVID-19 crisis has illustrated the complexities and pressures faced by public buyers, and has demonstrated how procurement is vital to the functioning of fundamental public services, such as health and infrastructure. Public procurement will also be critical in the post-COVID era to support targeted public investment in infrastructure and include environmental and climate change considerations into recovery plans.

Emphasising capacity and professionalisation is one of the principles of the OECD Recommendation on Public Procurement, and the quality of outcomes is closely linked to the level of professionalisation of procurement practitioners. At a minimum, public buyers need legal, economic and market knowledge to fulfil their tasks but, increasingly, they need commercial, soft and other job-related skills to perform effectively. Countries are already strengthening their public procurement workforces. For instance, New Zealand developed several initiatives to empower procurement practitioners, starting with assessing organisational capacity through the Procurement Capability Index. Nevertheless, capacity gaps remain among public procurement staff across OECD countries (OECD, 2019a).

OECD countries are using several targeted measures to professionalise their public procurement. For instance, 14 out of 33 OECD countries surveyed in 2020 (42%) had introduced competency models, which define the critical skills necessary to accomplish a given procurement function, compared to 30% in 2018 (Table 8.10). ProcurCompEU, newly developed by the EU, is a procurement competency framework consisting of a suite of scalable tools available for countries to use. Other OECD countries define entry requirements to meet contracting authorities' needs. For instance, staff in Colombia require previous experience, or basic or specialised training, depending on the job profile. Mandatory training, as used in Korea, is another approach to ensuring suitable skills. Finally, certification frameworks to enhance procurement professionalisation are gaining traction in OECD countries: 6 out 29 countries (21%) used them in 2018, compared to 12 out of 33 (36%) in 2020 (Table 8.10). For example, Chile requires a certification process for procurement officials with four competency levels to encourage skills development.

OECD countries also increasingly recognise public procurement as a standalone profession: 13 out of 33 (39%) did so in 2020, compared to 33% in 2018 (OECD, 2019b and Figure 8.11). This allows countries to attract and retain qualified personnel on a dedicated career track, allowing them to grow professionally or be rewarded based on performance. For example, France has formally added the public procurement job family to its Inter-ministerial Directory of State Professions (*Répertoire Interministériel des Métiers de l'Etat*). Importantly, 27 out of 33 OECD countries (82%) rely on collaboration to improve the capacity of procurement entities (Figure 8.12) through specialised training institutions, joint research programmes and co-operation with universities, among others. Austria has developed a European Training Programme for central purchasing bodies in collaboration with Vienna University of Economics and Business.

Methodology and definitions

Data were collected through the 2018 OECD Survey on the Implementation of the 2015 OECD Recommendation on Public Procurement and the 2020 OECD Survey on Professionalisation. The 2020 survey was carried out to update the status of professionalisation as of the end of 2020, and focuses on measures to support capacity, the recognition of procurement as a profession as well as collaborative approaches in capacity building. Thirty-one OECD countries and Costa Rica responded to the 2018 survey and 33 OECD countries and Costa Rica responded to the 2020 survey. Respondents were country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies.

Further reading

OECD (2019a), *Reforming Public Procurement: Progress in Implementing the 2015 OECD Recommendation*, OECD Public Governance Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/1de41738-en*.

OECD (2019b), *Government at a Glance 2019*, OECD Publishing, Paris, *https://doi.org/10.1787/8ccf5c38-en*.

Figure notes

8.10. Data for Colombia, the Czech Republic, Ireland, Italy, Luxembourg, Switzerland, the United Kingdom and the United States are not available for 2018. Data for Canada, Iceland, Luxembourg and the United States are not available for 2020.

8.11 and 8.12. Data for Canada, Iceland, Luxembourg and the United States are not available.

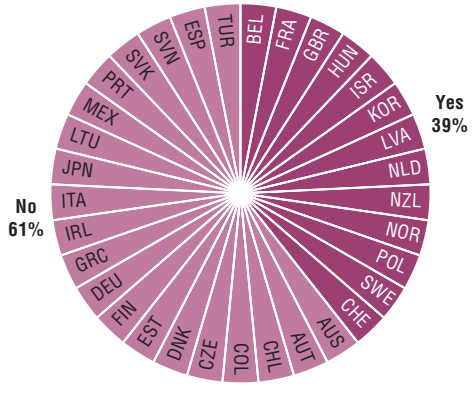
8.10. Measures to support public procurement capacity, 2018 and 2020

	Competency model		Entry requirement according to contracting authorities' needs		Obligatory training		Certification framework	
	2018	2020	2018	2020	2018	2020	2018	2020
Australia	○	○	○	○	○	○	○	○
Austria	○	●	●	●	○	○	○	●
Belgium	○	○	●	●	○	○	○	○
Canada	●	..	●	..	●	..	●	..
Chile	●	●	○	●	●	●	●	●
Colombia	..	●	..	●	..	●	..	○
Czech Republic	..	○	..	○	..	○	..	●
Denmark	○	○	○	○	○	○	○	○
Estonia	○	○	○	○	○	○	○	○
Finland	○	○	●	●	○	○	○	○
France	●	●	●	●	○	●	●	●
Germany	○	○	○	○	●	●	○	○
Greece	○	○	○	○	○	○	●	○
Hungary	○	○	○	○	●	●	○	○
Iceland	●	..	○	..	○	..	○	..
Ireland	..	○	..	○	..	○	..	●
Israel	○	●	●	●	●	●	○	●
Italy	..	○	..	○	..	○	..	○
Japan	●	●	●	●	●	●	○	○
Korea	○	○	○	○	●	●	○	○
Latvia	○	○	○	●	○	○	○	○
Lithuania	○	○	●	●	○	○	○	○
Mexico	○	○	○	○	○	○	○	○
Netherlands	●	●	○	○	○	○	○	○
New Zealand	●	●	●	●	●	●	●	●
Norway	○	○	○	○	○	○	●	●
Poland	○	○	●	●	○	○	○	○
Portugal	●	●	●	●	○	○	○	●
Slovak Republic	●	●	●	●	●	●	○	●
Slovenia	○	●	●	●	○	○	○	○
Spain	○	○	○	○	○	○	○	○
Sweden	○	○	○	○	○	○	○	○
Switzerland	..	●	..	●	..	●	..	●
Turkey	○	●	○	○	○	○	○	○
United Kingdom	..	●	..	●	..	●	..	●
OECD Total								
● Yes	9	14	13	17	9	12	6	12
○ Not	20	19	16	16	20	21	23	21
.. No information	6	2	6	2	6	2	6	2
Costa Rica	○	○	○	○	○	○	○	○
Indonesia	..	●	..	●	..	●	..	●

Source: OECD (2018), *Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement*; OECD (2020), *Survey on the Professionalisation on Public Procurement*.

StatLink https://doi.org/10.1787/888934258534

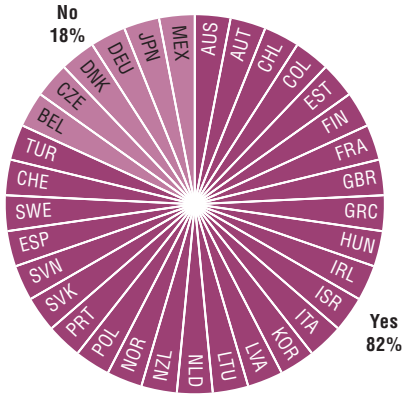
8.11. Public procurement recognised as a profession, 2020



Source: OECD (2020), Survey on the Professionalisation on Public Procurement.

StatLink https://doi.org/10.1787/888934258553

8.12. Collaborative approaches with knowledge centres to improve the capacity of public procurement entities, 2020



Source: OECD (2020), Survey on the Professionalisation on Public Procurement.

StatLink https://doi.org/10.1787/888934258572

9. OPEN GOVERNMENT

Efforts to promote open government literacy in the public administration

Citizen and stakeholder participation portals

Implementation of access to information laws

Efforts to promote open government literacy in the public administration

Open government is a culture of governance that promotes the principles of transparency, integrity, accountability and stakeholder participation in support of democracy and inclusive growth (OECD, 2017). Governance cultures involve both tangible and non-tangible aspects, including values, beliefs, norms of conduct and expectations, which are manifested in policies, services and public goods among others. Open government literacy – understood as the combination of awareness, knowledge and skills that public officials and stakeholders need to engage successfully in open government strategies and initiatives – is key to transforming a country's culture of governance.

Guidelines, toolboxes and other types of written guidance can help civil servants to follow open government principles when designing, implementing and/or evaluating public policies. In 2020, 29 out of 31 OECD countries (94%), and the 3 other economies (Brazil, Costa Rica and Romania) taking part in the Survey on Open Government had guidelines on open government data, and 25 OECD countries (81%) plus the 3 other economies had guidelines on citizen and stakeholder participation. Twenty OECD countries (65%) plus Brazil and Romania had guidelines on reactive disclosure of information, and 19 (62%) as well as Brazil and Romania on proactive disclosure. While only eight OECD countries (26%) and Brazil and Costa Rica had guidelines that explicitly focused on the concept of open government, the majority of the surveyed countries have other guidelines that cover specific principles and practices related to open government (Figure 9.1).

As a culture of governance, open government seeks to promote the inclusion and participation of all groups of society in policy-making. Some countries, such as Lithuania and the United Kingdom, have guidelines that raise awareness of the need to target specific groups and stakeholders when relevant. Some countries also have guidelines on fostering the participation of specific groups of the population: out of the 25 OECD countries with guidelines on participation, 11 (44%), and Brazil, focus on youth, another 8 (32%) and Brazil focus on people with disabilities. Respectively four OECD countries (16%) have guidelines focusing on LGBTIQ+ people, minority ethnic groups, elderly people, and women (Figure 9.2).

Training is another way of ensuring that civil servants embody open government principles. Twenty-six out of 32 OECD countries surveyed (81%) and 3 other economies (Brazil, Costa Rica and Romania) provide training on access to information, and 22 (69%) plus three other economies on open government data. Twenty of the OECD countries (63%) plus the 3 other economies have training on citizen and stakeholder participation. Nine OECD countries (28%), as well as Brazil and Costa Rica, have training on open government as an integrated concept (e.g. explaining what open government means) (Figure 9.3). Some countries do not have a centralised training catalogue, with each ministry and institution responsible for designing the training it offers its employees. These trainings would not be captured by these data.

Out of the nine OECD countries that have training on open government, eight (89%) offer them to civil servants at the central/federal level. In seven of them (78%), civil servants from sub-national levels of government can participate and in three (33%), the training is open to employees of the judicial and legislative branches of government (Online Figure G.36).

Methodology and definitions

Data were collected through the Survey on Open Government, which was conducted between November 2020 and March 2021. Thirty-two OECD countries and three other economies (Brazil, Costa Rica and Romania) participated. Respondents were the delegates to the OECD Working Party on Open Government, who co-ordinated the response across their respective governments.

Access to information refers to the ability of an individual to seek, receive, impart and use information effectively. In public administration, access to information refers to the existence of a robust system through which government information is made available to individuals and organisations. Proactive disclosure refers to the availability of relevant information without a prior public request. Reactive disclosure refers to the release of public information by a public body following a request by an individual.

Citizen and stakeholder participation refers to all the ways in which citizens and stakeholders can be involved in the policy cycle and in service design and delivery.

Open government data refers to government data that can be accessed and shared, free of charge, and used by anyone for any purpose.

Further reading

OECD (2017), *Recommendation of the Council on Open Government*, OECD, Paris, *https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438*.

OECD (2016), *Open Government: The Global Context and the Way Forward*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264268104-en*.

Figure notes

Data for France, Hungary, Luxembourg, Switzerland and the United States are not available.

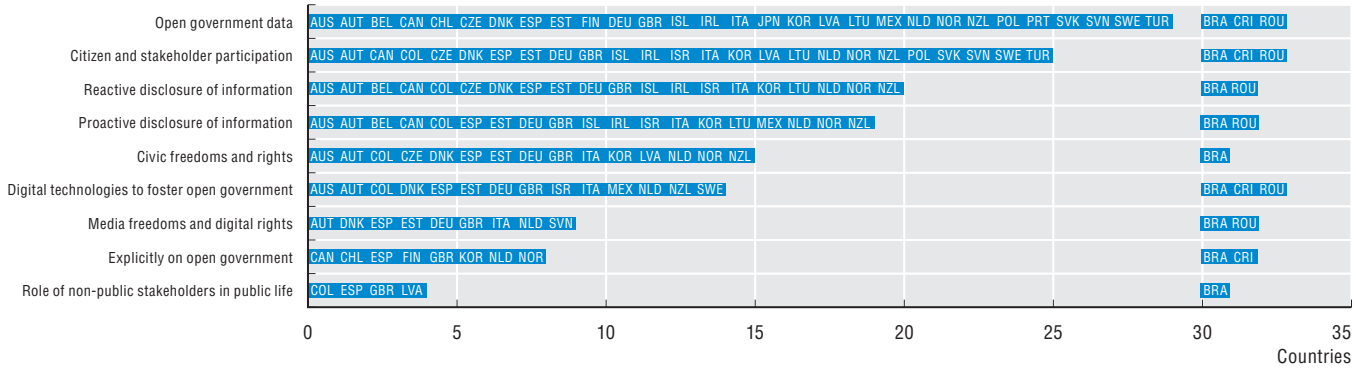
9.1. Data for Greece are not available.

9.2. Data only cover countries which reported having guidelines on citizen and stakeholder participation.

Figure G.36. (Categories of staff and institutions for which open government training is available, 2020) is available online in Annex G.

Efforts to promote open government literacy in the public administration

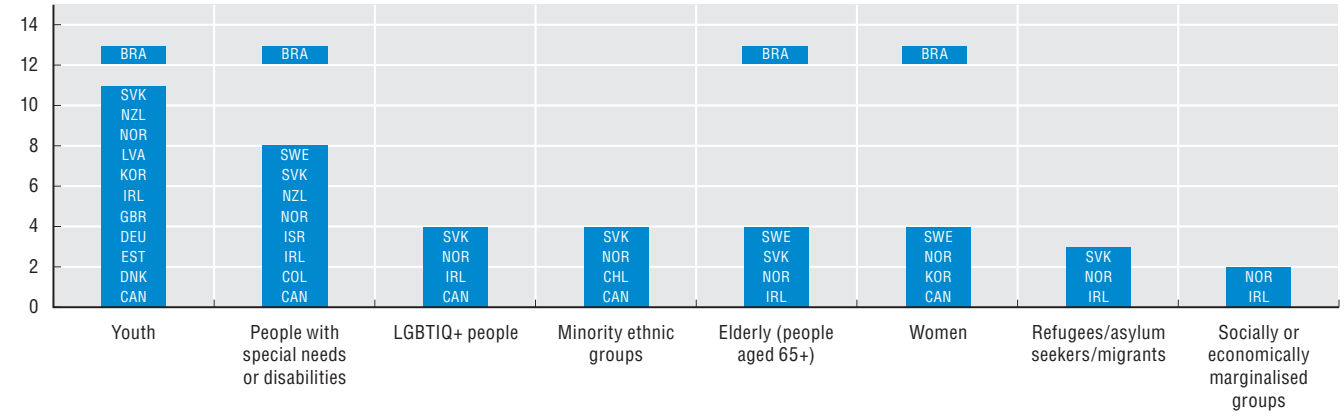
9.1. Availability of guidelines for civil servants on open government-related topics at the central/federal level, 2020



Source: OECD (2021), *Survey on Open Government*.

StatLink https://doi.org/10.1787/888934258591

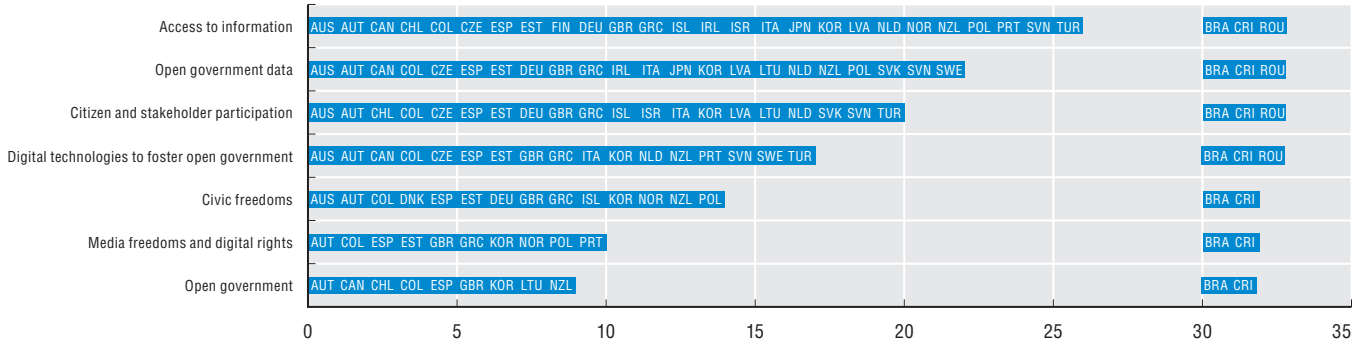
9.2. Focus of participation guidelines for civil servants on specific groups, 2020



Source: OECD (2021), *Survey on Open Government*.

StatLink https://doi.org/10.1787/888934258610

9.3. Availability of training for civil servants on open government-related topics at the central/federal government, 2020



Source: OECD (2021), *Survey on Open Government*.

StatLink https://doi.org/10.1787/888934258629

Citizen and stakeholder participation portals

Digital tools can enable citizens and stakeholders to take part in decision making and increase the reach of participation opportunities, especially for those who are unable to attend meetings in person due to time or distance constraints. In particular, participation portals (websites), where government institutions publish consultation and engagement opportunities, can help to facilitate exchanges and collaboration with citizens and stakeholders when designing public policies, and widen the opportunities for collaboration.

All participation opportunities across the central/federal government can be centralised in a government-wide portal. Equally, governments can set up institution-specific portals (where a single institution publishes its participation opportunities), or establish individual portals for specific policy documents (e.g. open government partnership action plans). Government-wide portals have the advantage of providing a "one-stop shop" for citizens to learn about past, current and future opportunities for participation. On the other hand, institution or policy-specific portals are easier to adapt to the specifics of each participation process. Some governments rely solely on one type of portal, while others use a mixed approach combining two or more of them.

In 2020, 27 out of 32 OECD countries (85%) and two other economies (Brazil and Romania) which took part in the Survey on Open Government had government-wide participation portals used by all ministries at the central/federal level of government to publish consultation and engagement opportunities. In total, 12 of the 32 OECD countries (38%) had several government-wide portals, and 15 (47%) had a single government-wide portal. Only two of the surveyed OECD countries (6%) – Turkey and Sweden – had no participation portals of any kind at the central/federal government level (Figure 9.4).

The most common function of government-wide participation portals is providing information about past consultation or engagement opportunities: 25 of the 27 OECD countries (93%) which have such portals, plus Brazil and Romania, offer this functionality. In 22 of the OECD countries (81%) and Brazil and Romania, government-wide portals are used to carry out online consultations or engagement (e.g. allowing people to submit their inputs online) and in 19 (70%) and Brazil and Romania they provide background documents for specific consultation or engagement opportunities. It is less common for government-wide portals to provide feedback to citizens and stakeholders about their inputs and recommendations (e.g. how they were considered when making the final decision): Only 11 (41%) OECD countries and Brazil had portals with this functionality (Table 9.5.).

One of the two government-wide portals of Italy has the widest range of functions (all seven enquired about in the survey), including informing about upcoming consultations and engagement opportunities, and providing information about citizens' and stakeholders' right to participate. In contrast, Ireland's portal offers only one function: redirecting users towards individual institutional portals.

Seven OECD countries provided information about their institution-specific portals. In six of these (86%), the portals inform about past consultation or engagement opportunities and provide information about upcoming opportunities, while in five (71%) they can be used to carry out online consultations. Six OECD countries reported having other types of portals (e.g. policy-specific), of which three (50%) reported they can be used to carry out consultations.

Methodology and definitions

Data were collected through the Survey on Open Government, which was conducted between November 2020 and March 2021. Thirty-two OECD countries and three other economies (Brazil, Costa Rica and Romania) participated. Respondents were the delegates to the Working Party on Open Government, who co-ordinated the response across their respective governments.

Participation is understood as all the ways in which citizens and stakeholders can be involved in the policy cycle and in service design and delivery. In particular, consultation entails a two-way relationship in which stakeholders provide feedback to the government and *vice versa*. It is based on the prior definition of the issue for which views are being sought and requires the provision of relevant information, in addition to feedback on the outcomes of the process. Engagement refers to a process in which stakeholders are given the opportunity and the necessary resources (e.g. information, data and digital tools) to collaborate during all phases of the policy cycle, and in service design and delivery.

Further reading

OECD (2020), *Innovative Citizen Participation and New Democratic Institutions: Catching the Deliberative Wave*, OECD Publishing, Paris, *https://doi.org/10.1787/339306da-en*.

OECD (2017), *Recommendation of the Council on Open Government*, OECD, Paris, *https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438*.

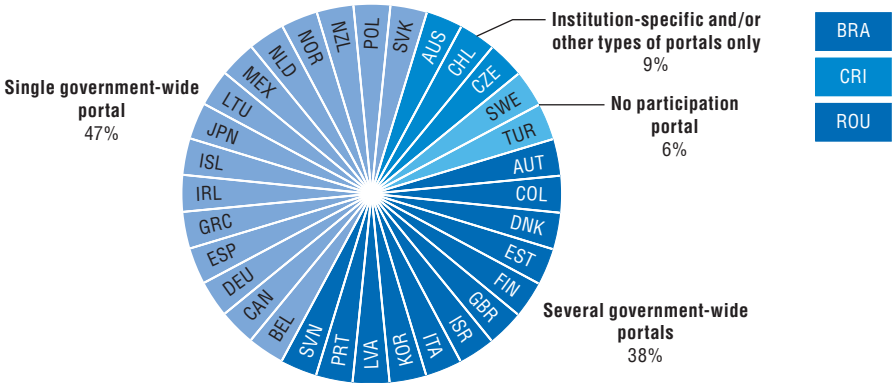
OECD (2016), *Open Government: The Global Context and the Way Forward*, OECD Publishing, Paris, *https://doi.org/10.1787/9789264268104-en*.

Figure notes

Data for France, Hungary, Luxembourg, Switzerland and the United States are not available.

9.5. Sweden and Turkey are excluded because they have no participation portals.

9.4. Availability of government-wide portals to facilitate citizen and stakeholder participation, 2020



Source: OECD (2021), *Survey on Open Government*.

StatLink https://doi.org/10.1787/888934258648

9.5. Functions of participation portals, 2020

Country	Inform about past consultations/ engagement	Carry out online consultations/ engagement	Background documents for consultations/ engagement	Inform about upcoming consultations/ engagement	Inform about rights to participate	Provide feedback on the inputs received during participatory processes	Redirect towards institutional portals
Australia	⊙	⊙	⊙			⊙	❖
Austria	●⊙	●	●	●⊙	●⊙		●⊙
Belgium	●	●	●	●	●		
Canada	●			●			●
Chile	⊙	⊙	⊙		⊙	⊙	
Colombia	●			●		●	●
Czech Republic	❖		❖	❖		❖	
Denmark	●	●	●	●	●		
Estonia	●❖	●❖	⊙	⊙❖	●⊙❖	●❖	⊙
Finland	●	●	●			●	
Germany	●⊙	⊙	⊙	●⊙	●⊙	●	●
Greece	●	●	●	●			
Iceland	●	●	●	●	●	●	
Ireland							●
Israel	●	●	●	●	●		●
Italy	●	●	●	●	●	●	●
Japan	●	●	●				●
Korea	●	●	●	●	●	●	
Latvia	●	●	●	●			
Lithuania	●	●	●	●	●	●	
Mexico	●	●	●				
Netherlands	●	●					
New Zealand	●❖	●❖	●❖	●			
Norway	●	●	●				
Poland	●		●❖			●	
Portugal	●⊙	●⊙	●⊙	●	●⊙	⊙	
Slovak Republic	●	●❖	●	●		●	
Slovenia	●	●		●	●		
Spain	⊙	●⊙	⊙	⊙	●		●
United Kingdom	●	●	●	●	●	●	●
OECD Total							
● Government-wide	25	22	19	18	14	11	10
⊙ Institution-specific	6	5	6	4	5	3	2
❖ Other portal	3	3	3	2	1	2	1
Brazil	●⊙	●⊙	●⊙	●⊙	⊙	●⊙	
Costa Rica	❖	❖					
Romania	●	●	●	●	●		●

Source: OECD (2021), *Survey on Open Government*.

StatLink https://doi.org/10.1787/888934258667

Implementation of access to information laws

Transparency is a key principle of open government and a core foundational element of a functioning democracy. It enables citizens to exercise their voice and contribute to setting priorities, monitoring government actions and having an informed dialogue about – and participating in – decisions that affect their lives. In addition, transparency is crucial for good governance and contributes to the fight against corruption, clientelism and policy capture, all of which are imperative for restoring citizens' trust in government. Most initiatives to promote transparency have focused on access to information (ATI) laws, and more than 120 countries, including all OECD countries, have enacted ATI laws, with varying levels of maturity.

An important factor in the implementation of ATI laws is the existence of institutional arrangements for oversight of their application. The responsibilities of these bodies vary but often include enforcement, monitoring and the promotion of the law. They can be an independent information commission (or agency or other body) with a mandate purely to oversee the implementation of ATI laws or they could be a body like an ombudsman with an ATI mandate as part of a wider remit (e.g. human rights, discrimination or gender). In the Survey on Open Government, 18 OECD countries out of 32 (56%) and Brazil have an independent information body with a specific ATI mandate, while for 9 countries (28%), such as Finland and Norway, the implementation of ATI laws is overseen by a body with a wider remit. Finally, 17 OECD countries (53%) and 3 other economies (Brazil, Costa Rica and Romania) assign this mandate to a central government body, which is not independent from the executive branch. Some countries have complex systems in which two or more public bodies oversee the implementation of access to information laws. For example, Chile has a Council for Transparency and a Transparency Commission within the Ministry General Secretariat of the Presidency (Figure 9.6).

Countries can often struggle with their ATI obligations due to a lack of a dedicated office or official to advise on the implementation of such laws. Several ATI laws require the establishment of an information office or officer responsible for ensuring compliance with the law. These officers are appointed to guarantee both proactive and reactive disclosure of information. Currently, the law stipulates such a role only in 15 out of 30 OECD countries (50%) as well as in Brazil, Costa Rica and Romania (Figure 9.7). For example, Canada enables the head of each government institution to delegate their powers, duties and functions under the law to dedicated officers. However, countries without this provision can still create similar positions.

Improving the implementation of ATI laws also requires good practice at the sub-national level with many national governments undertaking initiatives to promote this. Fifteen out of 31 OECD countries (48%) and 3 other economies run capacity-building programmes for public officials at sub-national levels while 11 OECD countries (35%) as well as Brazil, Costa Rica and Romania also host regular information sessions for stakeholders on accessing information. Furthermore, 12 OECD countries (39%) and the 3 other economies have created local guidelines on ATI. Nine OECD countries (29%) and Brazil are pursuing other innovative ways of improving implementation. For example, Lithuania offers training on digital skills and services for stakeholders on locating information and making online ATI requests. In federal countries, the federal government can also assist the sub-national levels of government; for example, the Time Brazil programme supports officials in the implementation of open government initiatives, including ATI obligations (Table 9.8).

Methodology and definitions

Data were collected through the Survey on Open Government, which was conducted between November 2020 and March 2021. Thirty-two OECD countries and three other economies (Brazil, Costa Rica and Romania) participated. Respondents were the delegates to the OECD Working Party on Open Government, who co-ordinated the response across their respective governments. The section on access to information is based on responses by senior public officials across government with expertise and oversight on the subject of transparency and access to information.

Access to information refers to the ability of an individual to seek, receive, impart and use information effectively. In public administration, access to information refers to the existence of a robust system through which government information is made available to individuals and organisations.

Further reading

OECD (2017), *Recommendation of the Council on Open Government*, OECD, Paris, *https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438*.

OECD (2016), *Open Government: The Global Context and the Way Forward*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264268104-en*.

Zuegel, K., E. Cantera and A. Bellantoni (2018), "The role of ombudsman institutions in open government", *OECD Working Paper on Public Governance*, No. 29, OECD Publishing, Paris, *https://doi.org/10.1787/7353965f-en*.

Figure notes

Data for France, Hungary, Luxembourg, Switzerland and the United States are not available.

9.7. Data for Greece and Poland are not available.

9.8. Data for Slovenia are not available.