

Let's achieve growth for all

PUBLIC
GOVERNANCE
FOR INCLUSIVE
GROWTH

Towards a new vision
for the public sector

Public Governance
Ministerial Meeting
28 October 2015
Helsinki, Finland

“The public sector must innovate: citizens, businesses and users should be actively involved in the design and delivery of public services.”

Mr. Angel Gurría
OECD Secretary-General



Mr. Angel Gurría, OECD Secretary-General and **Mr. Helge Braun**, Minister of State to the Federal Chancellor, Germany, Vice Chair



Ms. Anu Vehviläinen, Minister of Local Government and Public Reforms, Finland, Chair

Chair's summary



Ministers and high level delegates from 42 countries met under the Chairmanship of Finland, and the Vice-Chairmanship of Germany, Japan and the United States, on 28 October in Helsinki for the Ministerial meeting on “Public Governance for Inclusive Growth: towards a new vision for the Public Sector.”

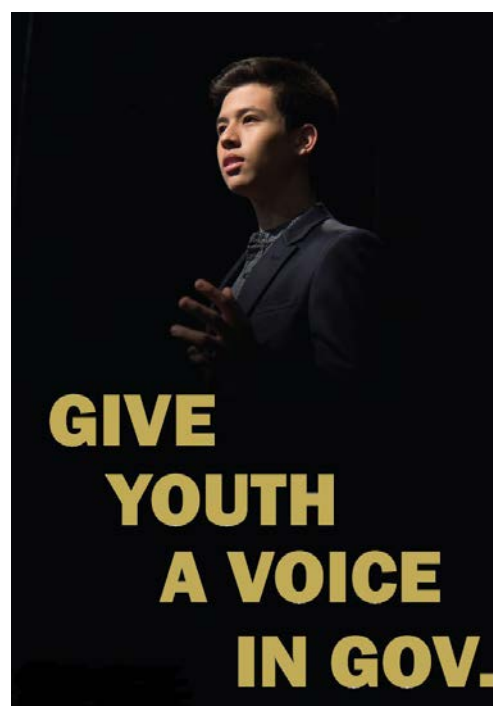
A new vision for public governance

Representing a significant share of our economies, the public sector is vital to all aspects of well-being. An effective and accountable public service is essential to support the businesses that create jobs, equip young people with the skills they need for fulfilling careers, and provide the services that citizens expect throughout their lives. We are committed to the key objective of public governance, which is greater well-being for all, including for the generations to come. And as such, we embrace a people-centred approach and we recognise the expectations of the youth which were expressed at the Youth Dialogue on inclusive growth which preceded our Ministerial. Young people's voices must be included in the policy process and we must leverage their creativity to build stronger, fairer and more inclusive societies.

During yesterday's **Youth Dialogue** we were called to ensure access and space for youth to truly influence decision-making at the national, regional and local levels, to listen to youth, and to support multiple channels and institutions for them to translate engagement into action.



Students from Germany and Czech Republic engage in discussions at the **Youth Dialogue** in Helsinki, on 27 October.



One of the winning posters of the OECD Poster contest. **Artist:** Eugene Dragut from Australia / Korea.

We are convinced that the role of the public service in ensuring well-being is now crucial. Many countries are still dealing with the legacy of the crisis, with continuing low growth and persistent unemployment are undermining citizen's trust in institutions and markets. Inequalities have risen in most countries. Emerging challenges such as large-scale migration and climate change bring new pressures. Global and universal commitments such as the Sustainable Development Goals that were endorsed a month ago and the targets that will be agreed in COP21 in December 2015 will require effective and accountable public sectors to implement them successfully. We are aware that our responses will impact on the confidence of citizens in our institutions, political decision makers and civil servants as trustworthy deliverers of public policy.

We welcome the **OECD's initiative on Inclusive Growth** and recognise the role of the private sector in driving growth. We feel strongly that the public service must be at the forefront in delivering inclusive growth policies. We have already made significant efforts in this direction in many of our countries and we will build on those in the future. Our countries may choose different paths but will share this common vision.

Ultimately, this will require a change in the culture of the public sector going beyond technical efficiency to the creation of public value where the civil service aims to deliver better services to all and strengthen the legitimacy of, and confidence in, public sector institutions in the eyes of the public.



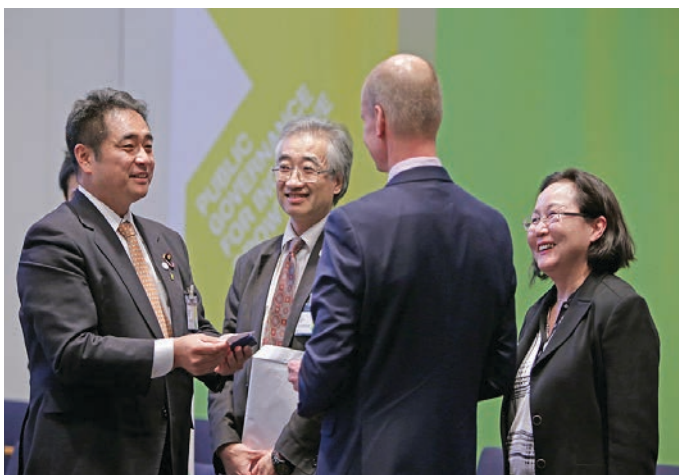
The Governance of Inclusive Growth, OECD, 2015

As Ministers and senior representatives, we have a crucial role to play in leading by example and in motivating and driving performance throughout the civil service. This commitment to results starts at the top.

Implementing the new vision

A renewed vision of public governance for inclusive growth, means first and foremost providing citizens with access to opportunities to build the future they want. This requires ensuring that the public sector is more engaged, open, resilient, inclusive and innovative. We agree that to achieve Inclusive Growth, vision, incentives and delivery mechanisms must be aligned across the Whole of Government from policy design to parliamentary approval.

We acknowledge the importance of taking a broad approach to well-being, including income, jobs and health as well as social capital and participation in public life.



Mr. Shimpei Matsushita, State Minister for Internal Affairs and Communications, Japan, Vice Chair with **Mr. Olli-Pekka Heinonen**, State Secretary, Ministry of Finance, Finland, Chair for Lab on Design.

We stress the importance of smart, effective and enabling regulation as a key policy lever for more inclusive growth, alongside taxing and spending at the domestic level and to facilitate international trade and investment. We underscore the importance of people's needs guiding the design and implementation of policies, as has been highlighted in the OECD's Regulatory Policy Outlook. In this regard we will work with parliaments and elected officials at all levels and engage with our youth to improve the way our policies are developed, implemented and evaluated.

We agree on the importance of building and investing in a culture of innovation in the public sector to focus on the true needs of citizens. Innovation includes engaging citizens, businesses and users in the co-design and co-delivery of public services. Since we last gathered in Venice five years ago, we have achieved significant progress on open government. Openness on data and how governments perform is a prerequisite to restoring confidence by citizens in both our institutions and markets. We look forward to the strategic use of new digital tools and of Big Data to enable a data driven public sector and access to open government data. The OECD Observatory on Public Sector Innovation is a rich platform for exchanging experiences on a value-driven public sector across countries.

The growing wealth of available information will help to engage citizens and improve openness, bring users' perspectives into the design of public policies, finding innovative ways to deliver including through public-private partnerships. Our aim should not only be to renew the public service delivery for users, but also to explore how we can achieve greater public value through engaging citizens so that they take greater responsibility for actual impacts. As we heard today, the closer communities are to the decision making, policy design and implementation processes, the better.

We agree that equal access to public services is fundamental to achieve opportunities for all. This includes access to core public services such as infrastructure, health and justice through effective governance systems in line with people's capacities and needs. We will strive for greater gender equality in public life and support the development of gender mainstreaming in relevant public governance areas including through gender-based analysis of public policies. We very much welcome the draft Recommendation of the Council on Gender Equality in Public Life.



Mr. Gaurab Bansal, Deputy Assistant to the President and Deputy Cabinet Secretary, United States, Vice Chair

We will enhance the quality of the public sector workforce to deliver on our inclusive growth objective. From nurses to teachers to police officers and others working in the public sector, the skills and professionalism of civil servants are crucial to deliver on our promises and maintain trust in our governments. We recognise in particular the need for building World Class Civil Services to support and implement the vision of a more inclusive society and the role that international indicators of Civil Service effectiveness could play in helping us to achieve this objective.

We strongly believe that transparency and integrity are essential to ensure policy decisions that benefit the public interest over specific interests. We acknowledge the adverse impact of corruption on inclusiveness and on public confidence in the government and markets to deliver and call for a whole-of-society approach in building a culture of integrity, starting with the public sector. Transparency and integrity tools are essential to help avoid policy decisions that benefit special interests. We recognise the importance of fiscal management to create conditions for a well-functioning public sector and help generate the fiscal conditions for inclusive growth policies.

We acknowledge the importance of evidence as a critical underpinning of public policies and recognise the need for a continuous effort to develop policy-relevant evidence on government performance that is robust and comparable. "What Works" initiatives are an example of how to ensure systematic assessment and leverage the stock of information on good practices available at the international level on policy impact.

A culture shift in support of inclusive growth is dependent on the commitment to work together across government in achieving these goals. Our Centres of Government will play a critical role in steering us towards a more cohesive approach in delivering our collective vision. We need to align vision, incentives and delivery mechanisms across ministries and at all levels of government. We need to ensure governments can act fast when needed and overcome administrative silos.



Ms. Katju Holkeri, Finland

We have enjoyed the discussions that have taken part within the innovative Labs that enabled us to delve deeper into many of these issues at each stage of the policy cycle. In particular, on:



Ministers underscored that voice brings legitimacy and ownership. It helps to build trust and strengthen democracy. It can help reshape governance - increasingly bottom up and horizontally across multiple communities. The challenge is to develop constructive and ongoing engagement between government institutions and citizens that keeps up with the rapid pace of policymaking. It is especially important to build capacity among those vulnerable and disadvantaged communities. Effective engagement is authentic, sometimes face to face and not always tech driven, with issues presented in accessible language.



Ministers underlined a need for a focus on outcomes for citizens, greater risk-taking based on evidence, including implementation challenges before designing policies and services. More openness and transparency including through digital government can help bust silos and improve coordination. These and strengthened partnerships with innovators can enhance multi-dimensional design solutions. Data on public sector performance, linked to effective stakeholder engagement, can improve next-generation design for more inclusive outcomes.



Ministers noted the need for a dynamic relationship with citizens, society, and the private sector. This requires prioritisation and simplification to focus on public outcomes. Greater openness is needed both for increased transparency (a key ingredient to building public trust) as well as facilitating more self-organisation in society. Better use of public data is key, but governments need to protect privacy and security in order to maintain public trust. A World Class Public Service can help leverage the power of modern technology, support a data-driven public sector, create an inclusive public service and ensure a harmonious political-administrative interface.



Ministers agreed that future policies and regulations must be designed to enable evaluation and learning. This involves clarity of objectives and indicators in line with political goals, and proactive disclosure of data. Ministers called on the OECD to facilitate international initiatives and knowledge-sharing on what works – and what doesn't work – including institutional approaches to foster a culture of evidence, innovation and policy experimentation.

In all of these discussions, we have consistently stressed the need for a new vision for public governance which will contribute to increased trust by citizens in public sector institutions thereby strengthening our capacity to deliver on our shared goals.

We expect the OECD's Public Governance communities to use this vision statement to guide their decisions on future programmes undertaken by the OECD in the area of public governance. We look forward to the conclusions of our discussions to be brought to the attention of the OECD's Ministerial Council Meeting in 2016.

Ministerial family photo





MINISTRY OF FINANCE