

Ladies and gentlemen,

I am delighted and honored to welcome you all to this High-level Conference for Invited Practitioners, Policy-makers and Researchers on 'Structuring Government in the 21<sup>st</sup> Century : Managing and Controlling Public Agencies at National and EU-level in Times of Crisis.'

This 1 day meeting is held in Brussels.

I'm sure that chairman prof dr. Geert Bouckaert has some responsibility in the choice of this location.

I hope you take the time to enjoy Brussels and take the opportunity to visit some well-known landmarks of our country.

Allow me to repeat the scope of this study before jumping into conclusions.

In respect of the humbleness where most political representatives are known for, I prefer not to talk about the conclusions at all.

All credits goes to the research teams working on this study for months, even years. It took four years of comparative research in 23 European countries.

I give them all my appreciations and respect.

The result of this collective effort by the research teams will come together during this High-level conference.

The research teams will present and discuss their findings and recommendations today.

Let me first introduce the organization which makes this happen. The study has been coordinated by the international network Cripo , the Comparative Research into urrent trends in public sector organization, operating in the COST-network.

COST stands for European cooperation in science and technology. Within COST the data was collected in the COBRA-joined database.

I presume that within a couple of minutes chair prof Bouckaert will give some more details about the international networks.

The main objective of the COST-Cripo Action is

Firstly : to advance science in an innovative and interdisciplinary way

Secondly : to advance scientific utility of research results for the community of European practitioners

Thirdly : to develop the European perspective in research towards public sector organization

Fourthly : to engage young researchers in a gender balanced-network and to enhance their mobility

I presume I don't need to convince you of the fact that a well performing public sector is necessary and vital for the economic and democratic performance of countries.

Every individual country is permanently doing efforts to achieve a better performing public sector.

This has led to the observation that the organization of the public sector in OECD countries has been subject to some major trends and shifts during the last decades.

We all observed since years a new trend in the structuring and functioning of the public sector : The establishment of autonomous bodies and agencies as the result of vertical and horizontal specialization within large and monolithic bureaucraties.

We find this change everywhere in Europe.

We even find this phenomenon of agencification at the local government level.

Observing this trend is important; but even more important is to examine some problems going with this trend.

1. New ways of control by their parent departments were required. The traditional informal and input oriented ex ante control was replaced by mainly contractual result oriented control instruments, for example by performance contracts. In reality we see however a lack of effective result of these control instruments in most countries. This causes that agencies are sometimes free of control of central governments.
2. We discover also a proliferation of autonomous agencies and this results in a general loss of macro control of the governments. The separation of policy design and implementation, as well as the disconnection between policy fields makes the implementation of whole of government and cross-cutting issues more difficult. Before the agencying trend the coordination went through the hierarchical chain in the large bureaucracies. This is replaced by coordination mechanisms as for example public-private partnerships or the introduction of competition. But we can question the effectiveness of these new coordination mechanisms.
3. We can also ask questions by the reform and transactional costs of these changes. Even after the costs caused by the change itself, we question the potential lasting overhead costs. We can easily imagine that by separating organizations the costs goes up.
4. Until today we couldn't rely on data and proof of an eventual increase of the performance and accountability of public organizations. There was simply no scientific evidence of a possible greater efficiency, better client-orientation, etc. ... until today ...

I won't go into the methods used to collect this data in detail. Different European research teams made use of a combination of descriptive, explanatory and evaluative questions to disclose this issue.

The international conference today will provide answers to the following questions:

1. How to rationalise the agency landscape in times of crisis. How to increase efficiency and effectiveness, without losing the advantages of flexibility and innovativeness?
2. How to improve the leadership, both political and managerial, of agencies?
3. How to optimize result-based control of agencies by parent ministries?
4. How to improve long term relationships between agencies and their parent ministries, which guarantees sufficient control by the parent ministry and enough autonomy for agencies ?
5. How to optimize the accountability of agencies, by combining or substituting traditional accountability mechanisms with new mechanisms for accountability towards users, parliament and citizens?
6. How to optimize the management and control of EU-level agencies and networks and how can their collaboration with national agencies enhance the implementation of EU-policies by EU-countries?

This afternoon an internationally composed plenary panel of practitioners and scientists will reflect upon the policy recommendations presented and will discuss the priorities for agencification policies.

I'm proud to give the floor to the internationally respected ambassador of new public management, prof dr Geert Bouckaert.

I wish that you all can feed your intellectual hunger today on this important issue and hope that you'll find this day an opportunity to meet colleagues and establish contacts,

in order to work further in mutual cooperation on other topics of public management and administration and

'to explore new worlds and to boldly go where no one has gone before' in the field of the public sector.

Thank you for your attention and enjoy Brussels.

Kurt Van Raemdonck

Brussels, 27 may 2011