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Committee of Experts on Public Administration

**Report on the eighteenth session
(8–12 April 2019)**

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Note

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

Summary

The Committee of Experts on Public Administration held its eighteenth session at United Nations Headquarters in New York from 8 to 12 April 2019, with the overall theme “Building strong institutions for equal and inclusive societies”. A key message of the session was that building equal and inclusive societies and leaving no one behind require addressing the deep inequalities that exist in many countries. This in turn may require institutions at all levels to play a greater role in promoting and enforcing non-discriminatory laws and policies.

The Committee also emphasized the critical role of institutions in achieving all of the Sustainable Development Goals and examined progress, identified prospects and recommended actions for advancing the implementation of institutional aspects of Goal 16 at the national and subnational levels. It was recognized that in-depth reviews of this Goal could be strengthened by stronger evidence of governance capacities and analysis of trends in many areas, taking into account important linkages between Goal 16 and all Sustainable Development Goals, including Goal 17. A number of voluntary national review countries made presentations on various institutional challenges and solutions as part of an interactive dialogue with the experts.

The Committee also revisited the principles of effective governance for sustainable development with a view to their operationalization. This would entail further work on the elaboration of commonly used strategies, as well as collecting further evidence of what works and does not work and under which circumstances. It would call for engagement of experts and all relevant stakeholders, as well as linking the principles with work on governance indicators with a view to contributing to strengthening the analytical basis for assessing the impact of reform policies.

The Committee underlined that peaceful and inclusive societies and effective and accountable institutions of justice are associated with the legal empowerment of the poor and marginalized as well as non-linear and process-oriented approaches to security sector reform and peacebuilding. These approaches are more effective in solving the root causes of conflict, ensuring inclusive transitional justice and upholding the rule of law in the long run through the meaningful engagement of all sectors of society, including in particular women and vulnerable groups.

The Committee further underlined that enhancing the capacity of the public sector in core functional areas of administration requires new capacities and skills to effectively implement the Sustainable Development Goals, while traditional public sector competencies remain relevant. The Committee pointed to the enabling role that critical thinking, complexity thinking, futures thinking and design thinking can play in delivering innovative public services and achieving the Sustainable Development Goals in addition to deliberative skills, emotional intelligence and appropriate use of frontier technologies.

The Committee recalled that strengthening fiscal management at the national and subnational levels is integral to the implementation of the Sustainable Development Goals and highlighted that sound fiscal management entails full ownership of domestic and international flows, reduction of illicit financial flows and corruption, strengthened fiscal transparency through open and collaborative budgeting processes, participatory and performance-based budgeting, and fiscal decentralization commensurate with subnational institutional capacity and arrangements in a given country.

The Committee adopted a draft resolution and a draft decision for the consideration of the Economic and Social Council. The Committee also prepared a contribution to the 2019 high-level political forum on the governance and public administration aspects of empowering people and ensuring inclusiveness and equality.

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Chapter I

Matters calling for action by the Economic and Social Council or brought to its attention

A. Draft resolution recommended for adoption by the Economic and Social Council

1. The Committee of Experts on Public Administration recommends that the Economic and Social Council review and adopt the following draft resolution:

Report of the Committee of Experts on Public Administration on its eighteenth session

The Economic and Social Council,

Recalling its resolutions [2017/23](#) of 7 July 2017, [2018/12](#) of 2 July 2018 and other related resolutions on public administration and development, in which it affirmed that service to citizens should be at the centre of transforming public administration and that the foundations of sustainable development at all levels include transparent, participatory and accountable governance and a professional, ethical, responsive and information and communications technology-enabled public administration,

Reaffirming General Assembly resolution [70/1](#) of 25 September 2015, entitled “Transforming our world: the 2030 Agenda for Sustainable Development”,

Reaffirming also General Assembly resolution [69/313](#) of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development,

Reaffirming further the outcome document, entitled “New Urban Agenda”, adopted by the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), held in Quito from 17 to 20 October 2016,¹

Recalling General Assembly resolution [69/327](#) of 14 September 2015, in which the Assembly reaffirmed the importance of freedom, human rights, national sovereignty, good governance, the rule of law, peace and security, combating corruption at all levels and in all its forms, and effective, accountable and inclusive democratic institutions at the subnational, national and international levels as central to enabling inclusive and accountable public services for sustainable development,

Referring to the United Nations Convention against Corruption,² which entered into force on 14 December 2005,

Recalling General Assembly resolution [73/218](#) of 20 December 2018, in which the Assembly recognized the need to harness the potential of information and communications technologies as critical enablers of sustainable development and to overcome digital divides, and stressing that capacity-building for the productive use of such technologies should be given due consideration in the implementation of the 2030 Agenda and the Addis Ababa Action Agenda,

Recalling also General Assembly resolution [69/228](#) of 19 December 2014 on promoting and fostering the efficiency, accountability, effectiveness and transparency

¹ General Assembly resolution [71/256](#), annex.

² United Nations, *Treaty Series*, vol. 2349, No. 42146.

of public administration by strengthening supreme audit institutions, in which the Assembly emphasized that efficient, accountable and transparent public administration has a key role to play in the implementation of the internationally agreed development goals,

Recognizing the role of the Committee of Experts on Public Administration in providing policy advice and programmatic guidance to the Economic and Social Council on issues related to governance and public administration, and the relevance of the work of the Committee to the implementation of and follow-up to the 2030 Agenda,

1. *Takes note* of the report of the Committee of Experts on Public Administration on its eighteenth session,³ and expresses its appreciation for the work done by the Committee on building effective, accountable and inclusive institutions, including on governance and public administration aspects of empowering people and ensuring inclusiveness and equality in accordance with the 2019 theme of the Economic and Social Council and the high-level political forum on sustainable development;

2. *Invites* the Committee to continue to place the 2030 Agenda for Sustainable Development⁴ at the centre of its work and to continue to advise the Council on how public administrations can support the implementation and progress reviews of the Sustainable Development Goals;

3. *Welcomes* the contribution of the Committee to the high-level political forum, and reaffirms that the principle of leaving no one behind should be a core principle of public administration;

Building strong institutions for equal and inclusive societies

4. *Reiterates* the critical role of institutions in the achievement of all the Sustainable Development Goals and targets, calls for institutions to develop more creative, flexible and integrated ways of working to this end, and notes that implementing the Goals does not necessarily require the creation of new institutions;

5. *Welcomes* the initiative of the Committee to take stock of progress on institutional aspects of Sustainable Development Goal 16 as a contribution to the global review of the implementation of the 2030 Agenda for Sustainable Development at the ministerial and summit levels, and notes with appreciation its work in identifying progress, prospects and recommended actions for advancing the implementation of Goal 16 at the national and subnational levels, taking into account important linkages between Goal 16 and all Sustainable Development Goals;

6. *Recognizes* that in-depth reviews of the institutional aspects of the Sustainable Development Goals at all levels could be strengthened by stronger evidence of governance capacities and analysis of trends in many areas, inter alia in relation to the competencies of the public sector workforce, policy and institutional coherence, production of public services, stakeholder engagement, corruption prevention, non-discrimination, fiscal transparency and access to information;

7. *Notes with interest* the ongoing work of supreme audit institutions to conduct audits of government preparedness for implementation of the Sustainable Development Goals and audits of implementation of specific Goals which can usefully inform national reviews of progress on the implementation of the 2030 Agenda;

³ *Official Records of the Economic and Social Council, 2019, Supplement No. 24 (E/2019/44).*

⁴ General Assembly resolution 70/1.

8. *Underscores* that realizing the Sustainable Development Goals and leaving no one behind require addressing the deep inequalities that exist in many countries, which may require institutions at all levels to play a greater role in promoting and enforcing non-discriminatory laws and policies, inter alia through more effective redistribution and social protection programmes, progressive and effective taxation systems and administration, and temporary special measures to eliminate all forms of discrimination and their compounded negative impacts, including on the poorest and most vulnerable;

9. *Reaffirms* the need for pragmatic ongoing improvements in national and local governance capabilities to achieve the 2030 Agenda and other international agreements, and encourages Governments at all levels to consider applying the principles of effective governance for sustainable development, endorsed by the Council in its resolution 2018/12, to all public institutions and in support of the implementation of all Sustainable Development Goals, taking into account different governance structures, national realities, capacities and levels of development and respecting national policies and priorities;

10. *Encourages* the Committee to continue to identify and review related technical guidelines to operationalize the principles, including from sectoral perspectives, and to further engage the relevant United Nations organizations, regional organizations and professional and academic communities in this regard, in an inclusive manner, together with all relevant stakeholders;

11. *Takes note* of the initiative of the Committee to associate a set of agreed global Goal indicators with each of the principles with a view to contributing to strengthening the analytical basis for assessing the impact of reform policies on building effective, accountable and inclusive institutions at all levels;

12. *Welcomes* the work of the Committee on strengthening the capacity of State institutions and re-establishing credible governance and public administration institutions and systems after conflict, and looks forward to the Committee's further engagement in promoting effective governance for sustainable development in post-conflict situations and its contribution to the work of the Peacebuilding Commission;

Follow-up

13. *Requests* the Committee, at its nineteenth session, to be held from 30 March to 3 April 2020, to examine and make recommendations on the theme of the 2020 session of the Council and the 2020 high-level political forum;

14. *Invites* the Committee to contribute to analysis and assessment of the 2020 theme of the high-level political forum and the Council, giving particular attention to the cross-cutting nature of all the Goals;

15. *Also invites* the Committee to continue to advise on approaches and practices related to the institutions, policies and arrangements being established to promote the implementation of the Sustainable Development Goals, bearing in mind that the specific contexts and situations of countries differ widely, as well as to advise on making institutions effective, accountable and inclusive;

16. *Requests* the Secretary-General to take the present resolution fully into account in the work of the Organization, inter alia, in addressing gaps in research and analysis and in responding to the capacity development needs of Member States for building effective, accountable and inclusive institutions at all levels in pursuit of the achievement of the Sustainable Development Goals;

17. *Also requests* the Secretary-General to continue to promote and support innovation and excellence in public services for sustainable development through the United Nations Public Service Awards;

18. *Further requests* the Secretary-General to report on the implementation of and follow-up to the present resolution through the established working methods of the Committee.

B. Draft decision recommended for adoption by the Economic and Social Council

2. Bearing in mind the theme of the 2020 session of the Council and of the high-level political forum on sustainable development, the Committee of Experts on Public Administration recommends that the Council review and adopt the following draft decision:

Dates and provisional agenda of the nineteenth session of the Committee of Experts on Public Administration

The Economic and Social Council:

(a) Decides that the nineteenth session of the Committee of Experts on Public Administration will be held at United Nations Headquarters from 30 March to 3 April 2020;

(b) Approves the provisional agenda for the nineteenth session of the Committee as set out below:

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Informal report on intersessional activities of the Committee and its members.
4. Institutional aspects of the 2020 theme of the Economic and Social Council and the high-level political forum on sustainable development.
5. Dialogue with voluntary national review countries on Sustainable Development Goal 16.
6. Effective governance for sustainable development: putting principles into practice and reviewing outcomes.
7. Government and public sector workforce of the future.
8. Promoting peaceful and inclusive societies and providing access to justice for all.
9. Emerging issues in public financial management and budgeting for the Sustainable Development Goals.
10. Training and awareness-raising for the Sustainable Development Goals.
11. Provisional agenda for the twentieth session of the Committee.
12. Adoption of the report of the Committee on its nineteenth session.

(c) Decides that documentation in support of the provisional agenda should continue to be prepared through the established working methods of the Committee.

C. Contribution of the Committee to the high-level political forum on sustainable development

3. The Committee would like to draw the attention of the Economic and Social Council to its contribution to the thematic review of the 2019 high-level political forum on sustainable development on the subject of empowering people and ensuring inclusiveness and equality, conveyed to the President of the Council as Chair of the high-level political forum on 16 April 2019.¹ The Committee considered the governance and public administration aspects of the theme. A summary of the contribution is contained in chapter III.A of the present report.

4. A member of the Committee for Development Policy, Marc Fleurbaey, participated in the discussion with a view to sharing the central ideas of empowerment, inclusiveness and equality conveyed in the report of that Committee to the Council. Interaction between the two committees was intended to inform the policy advice provided by the Committee of Experts on Public Administration and jointly contribute to strengthening the effectiveness of the Economic and Social Council system.

5. The 2019 high-level political forum to be convened under the auspices of the Council will include an in-depth review of Sustainable Development Goal 16.² The Committee decided that, in the lead-up to the 2019 forum, it would take stock of progress on building effective, accountable and inclusive institutions at all levels, identify and assess emerging challenges, and recommend further policy actions as a main contribution.

6. A key message of the Committee is that in-depth reviews of the institutional aspects of the Sustainable Development Goals at all levels could be enhanced with stronger evidence of governance capacities and analysis of trends in many areas, for example in connection with the commonly used strategies to operationalize the principles of effective governance for sustainable development. Reviewing Goal 16 annually at the high-level political forum could support this. Recalling the integrated and indivisible nature of the 2030 Agenda for Sustainable Development, there is also an urgent need to strengthen integrated and collaborative approaches to address the many policy and institutional challenges of the Sustainable Development Goals. The main observations of the stocktaking discussion are contained in chapter III.B.

¹ See https://sustainabledevelopment.un.org/content/documents/22476CEPA_contribution_to_2019_HLPF_16_April_2019.pdf.

² Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Chapter II

Organization of the session

A. Opening and duration of the session

7. The Committee of Experts on Public Administration, established by the Economic and Social Council in its resolution 2001/45, consists of 24 experts appointed in their personal capacity by the Council upon the nomination of the Secretary-General. The Committee held its eighteenth session at United Nations Headquarters from 8 to 12 April 2019.

8. The Director of the Division for Public Institutions and Digital Government, Juwang Zhu, called the session to order and welcomed the participants. The Vice-President of the Economic and Social Council, Omar Hilale, and the Under-Secretary-General for Economic and Social Affairs, Liu Zhenmin, made opening remarks. The Committee considered all items on the agenda of the eighteenth session and concluded by adopting the draft report.

B. Attendance

9. The following 24 Committee members attended the session: Linda Bilmes (United States of America), Geert Bouckaert (Belgium), Upma Chawdhry (India), Emmanuelle d'Achon (France), Cristina Duarte (Cabo Verde), Geraldine J. Fraser-Moleketi (South Africa), Ali Hamsa (Malaysia), Paul Jackson (United Kingdom of Great Britain and Northern Ireland), Bridget Katsriku (Ghana), Margaret Kobia (Kenya), Ma Hezu (China), Joan Mendez (Trinidad and Tobago), Linus Toussaint Mendjana (Cameroon), Louis Meuleman (Netherlands), Gregorio Montero (Dominican Republic), Lamia Moubayed Bissat (Lebanon), Juraj Nemec (Slovakia), Katarina Ott (Croatia), Regina Silvia Pacheco (Brazil), Moni Pizani (Bolivarian Republic of Venezuela), Ora-orn Poocharoen (Thailand), Gowher Rizvi (Bangladesh), Abdelhak Saihi (Algeria) and Andrei Soroko (Russian Federation).

10. The following entities of the United Nations system were represented at the session: Economic Commission for Africa, United Nations Development Programme, United Nations Educational, Scientific and Cultural Organization, United Nations Interregional Crime and Justice Research Institute, International Labour Organization.

11. Observers from governmental, non-governmental and related organizations also attended. Observers were invited to provide written statements in advance of the session. The list of observers who attended the eighteenth session can be viewed on the website of the Committee (<https://publicadministration.un.org/en/cepa>).

C. Agenda

12. The agenda of the eighteenth session of the Committee was as follows:

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Enhancing the capacity of the public sector in core functional areas of administration.
4. Governance and public administration aspects of empowering people to build equal and inclusive societies for the twenty-first century.

5. Relating the principles of effective governance for sustainable development to practices and results.
6. Building institutions to promote peaceful and inclusive societies for sustainable development and provide access to justice for all.
7. Strengthening fiscal management at the national and subnational levels.
8. Stocktaking of progress on Sustainable Development Goal 16.
9. Provisional agenda for the nineteenth session of the Committee.
10. Adoption of the report of the Committee on its eighteenth session.

D. Election of officers

13. The following members served as officers of the Committee during the eighteenth session:

Chair:

Geraldine J. Fraser-Moleketi (South Africa)

Vice-Chairs:

Geert Bouckaert (Belgium)

Ali Hamsa (Malaysia)

Joan Mendez (Trinidad and Tobago)

Rapporteur:

Louis Meuleman (Netherlands)

Chapter III

Building strong institutions for equal and inclusive societies

A. Governance and public administration aspects of empowering people and ensuring inclusiveness and equality

Institutions are not ready to curb the trend of disempowerment

14. On the theme of the 2019 session of the Economic and Social Council and the high-level political forum on sustainable development, “Empowering people and ensuring inclusiveness and equality”, the Committee observed that, although there are promising initiatives to empower people, current trends point rather at disempowerment. In many countries, inequality is increasing. Regulatory agencies are sometimes dominated by the interests they regulate, rather than the public interest, while corporate taxation may result in an uneven division of burden. Social security is declining, externalities of globalization are inadequately regulated, and large and intense conflicts persist.

15. At least half of the world’s poor may be living in fragile and conflict-affected settings by 2030. Peace and peacebuilding will thus have to be at the top of policy agendas in order to tackle corruption, lack of access to justice, and ineffective delivery of public services. If conflict and fragility are not addressed through new and elaborate interdimensional political-administrative models, they are likely to spill over, jeopardizing institutional and policy initiatives for leaving no one behind.

16. At the same time, many public sector organizations lack resources, skills and a sense of direction. Often, they have little awareness of the Sustainable Development Goals and the aim to achieve them by 2030. Silo thinking is hampering the holistic implementation of the Goals, including the cross-cutting challenge of empowering people to build equal and inclusive societies. Even where adequate regulation and plans are in place, implementation may lag behind or be missing.

From blueprint thinking to contextualized pathways to empowerment

17. Although promoting the rule of law, including non-discriminatory laws and equal access to justice, should be at the centre of attention in policymaking and institution-building, there is no general blueprint for reforming the public sector towards those ends. Each country must follow its own path, building on its own governance structures, political, economic and social realities, local strengths and unique needs. Reforms that consider metagovernance, that is, governance of different governance styles, are important as they are more likely to be contextual. Peer-to-peer learning may be useful to support learning from success or failure.

18. The Committee stressed that, to overcome silo thinking, combining multiple ways of curbing inequalities and poverty is a must. Public policies to tackle economic and social inequalities should go in tandem with environmentally friendly solutions to redress imbalances. In addition, a new momentum must be built between the objectives of development and sustainability, particularly to stave off economic vulnerability, environmental degradation and social exclusion. Furthermore, there is a need to enhance awareness-raising of the Sustainable Development Goals among citizens and national and subnational governments.

Towards adequate governance and public administration to curb disempowerment

19. Ensuring that no one is left behind requires Governments to know who is being left behind, how they are being left behind and where this is occurring. Institutions,

plans and concrete actions to stimulate empowerment, inclusiveness and equality should be informed by the 11 principles of effective governance for sustainable development endorsed by the Economic and Social Council in July 2018 (see [E/2018/44](#), para. 31). Inclusiveness relates directly to five of those principles: participation, subsidiarity, non-discrimination, intergenerational equity, and leaving no one behind.

20. Only when trained and empowered to collaborate with other stakeholders can the public sector workforce promote equality and inclusion. Public sector leaders should be cognizant of the potential of an empowered public sector workforce. Inclusive quality education should receive explicit and specific attention with a focus on newly emerging skillsets for the public sector workforce such as critical thinking, design thinking, complexity thinking and futures thinking and emotional intelligence. The Sustainable Development Goals should be made part of the curricula of national schools of public administration.

Ensuring the means of implementation

21. The Committee noted that an inclusive economy and equitable fiscal policies can mitigate economic and social disparities and empower people. Governments should review their fiscal policies to ascertain whether the collection of taxes on basic goods and services has a negative impact on the individuals and groups that are left behind. Accelerating progress will require mobilizing financial resources and finding innovative ways to obtain public and private financial support and investment oriented towards the implementation of the 2030 Agenda. Leaving no one behind perspectives should be at the core not just of public revenue but also of public spending decisions.

Empowering local government

22. Local governments understand the needs of communities best. However, a due focus on local solutions and local capacity-building for sustainable development is still wanting. Promoting administrative and financial empowerment in tandem with building local government capacity can be helpful. Real-time, multi-level governance and subsidiarity can be instrumental in fostering inclusive local governance, promoting ownership and enhancing co-production and customization of policies and services.

Joining forces through collaboration and participation

23. The Committee further underscored that policies and programmes for implementing the Sustainable Development Goals should be designed, executed and monitored in participatory and transparent ways. A top-down approach to empowerment, whereby people's interests are predetermined or imposed on them, does not work. Bottom-up processes of participatory governance and engagement must become part of policy processes, ranging from policy design to policy adoption, and from implementation to monitoring and review. Such participatory governance should include not only State and society but also markets: addressing inequalities and leaving no one behind necessitates an inclusive economy.

24. People are ultimately their own agents of action. Attention should be paid to the empowerment of women and girls as well as youth, persons with disabilities and older persons, particularly against the backdrop of an ageing public sector workforce in some countries.

B. Taking stock of progress on institutional aspects of Sustainable Development Goal 16

25. At the time the Sustainable Development Goals were adopted, there was little consensus on the way forward for achieving Goal 16. Given its breadth, different stakeholder groups are working on different targets linked to the Goal's three main areas – peace, justice and strong institutions. Several networks have progressed in this direction that aim to convene communities of practice working on various aspects of Goal 16.

26. The Committee decided to take stock of the institutional aspects of the Goal, taking into account important linkages between Goal 16 and all Sustainable Development Goals, including Goal 17, and to do so by examining the core elements of effectiveness, accountability and inclusiveness in some depth. Given the scope, technical complexity and interplay of factors that influence institution-building, it is difficult to consider specific elements in isolation from one another. The analytical challenges of reviewing progress are further exacerbated by limited evidence of global trends in many areas and the relative absence of the evaluation of the impact of institutional reforms on the achievement of specific Goals and targets.

27. The Committee stressed that building institutions should not be seen as a technocratic efficiency exercise, which risks reinforcing the status quo, but in the spirit of the 2030 Agenda and as an integral part of efforts to leave no one behind, reduce inequalities, tackle environmental degradation, promote well-being for all and address other national and subnational sustainable development priorities.

28. The Committee engaged in a dialogue with 10 voluntary national review countries with the objective of promoting direct interaction with interested countries on institutional successes and challenges that countries themselves identified. Azerbaijan, Chile, Croatia, Côte d'Ivoire, the Dominican Republic, Guatemala, Iceland, Indonesia, Liechtenstein and Uruguay each presented a concrete case for discussion.

Progress on building effective institutions

Strengthening competencies

29. In examining questions of effectiveness, the Committee stressed that it is critical to develop competencies in the public sector that can support implementation of the 2030 Agenda. The targets of the Sustainable Development Goals provide guideposts to identify the types of competences required. Rapid changes in society, including technological evolution, call for the constant upgrading of knowledge and skills.

30. The upgrading of such competencies should take into account both current capacities and the medium- to long-term needs of the government of the future. Schools of public administration, public service commissions and management development agencies can have important roles to play. Quality education for all is also a basic building block of institutional and human resources development.

Promoting sound policymaking and policy coherence

31. The Committee underscored that actions to progress towards Goal 16 should be informed by the interlinkages with all the other Goals, such as Goal 10 on reducing inequalities, and by other outcomes of United Nations conferences, such as the New Urban Agenda. There is an urgent need for integrated approaches and collaborative partnerships for implementation. There is also a need to collect evidence on what has been working in different country contexts.

32. As discussed at previous sessions of the Committee, horizontal and vertical integration can be achieved through combinations of various mechanisms. A first step towards policy coherence is to align national vision, strategies and plans with the Sustainable Development Goals and regional agendas, such as Agenda 2063 of the African Union. Avoiding duplication of monitoring systems and data collection is part of such an alignment.

Improving public-private partnerships

33. While there have been successes in public-private partnerships for service delivery, concerns have been raised on occasion about the resultant quality, accessibility and affordability of public services, or that government has de facto become a junior partner. In pursuing public-private partnerships, it is important to ensure that Governments, the private sector and civil society each have a clear role to play within a well-defined accountability framework, and that laws and regulations governing such arrangements recognize the centrality of the public interest. This can help to determine the scope of public-private partnerships and ensure that all parties benefit. Public scrutiny, for example through independent audit reports, can also contribute to the effectiveness of such arrangements.

Progress on building accountable institutions

Fostering a culture of accountability

34. The Committee agreed that questions of accountability should be considered within the context of national systems and cultures. Monitoring and indicators should serve both to measure performance and to encourage behaviours that accelerate the achievement of the Sustainable Development Goals.

35. Transparency and accountability could be considered as public goods in economic terms with too much weight put on the supply side of the equation. Where access to information is concerned, for example, there is often an over-emphasis on the efficiency of producers rather than the needs of consumers, thus undermining the role of information in building accountable institutions.

36. Accountability frameworks can support the strengthening of democracy, good governance and the rule of law but to function properly they need to delineate both clear responsibilities and credible sanctions. In many countries, a lack of enforceable sanctions has limited the effectiveness of accountability frameworks.

Enhancing transparency

37. The Committee observed that provisions to promote the right to information are confined to the public sector in many countries, and often constrained unnecessarily. To ensure accountability and enable public scrutiny, exceptions to access to information should be subject only to such specific and limited exceptions as are provided by law and determined through an open process. For example, national security should not serve as a blanket argument for exclusion of defence matters from parliamentary oversight. The right of access to information should also apply to information held by the private sector.

38. Social accountability initiatives have also shown promise. For example, public hearings combined with access to information can promote accountability on public service delivery and expose administrative corruption. But they also face challenges. When funding comes from foreign donors or the private sector, accountability mechanisms tend to be designed to meet the needs of donors rather than citizens.

Strengthening oversight institutions

39. The Committee stressed that parliaments have a pivotal role in public oversight but often lack the political will and clout to effectively oversee government administration. Parliaments tend to focus on processes, less on results. Strengthening budgetary oversight is crucial in this respect and parliamentary procedure entails an obligation for the parliament to discuss all formal budget documents. Such budgets should be elaborated on the basis of clear performance objectives. Citizen budgets that present key public finance information to a general audience can also be helpful in communicating with parliamentarians and should be promoted.

40. Supreme audit institutions also have a critical role to play in ensuring the accountability of the public sector and can be effective in tackling administrative corruption. However, in many countries a lack of independence of the supreme audit institution remains a concern. In addition, supreme audit institutions often lack the capacity to realize their full potential. Some of them are able to perform only compliance and financial audits, whereas performance audits focused on the well-being of citizens would be important to assess progress on societal objectives.

41. Audit reports should be used more systematically to raise awareness of the performance of public sector programmes and thus encourage stakeholder engagement in promoting accountable institutions. Lack of follow-up of audit recommendations is also an issue.

Fostering accountability in public service delivery

42. The Committee noted that the publishing of public service performance reports can be helpful in fostering the accountability of public service delivery. Such reports may convey data on public perceptions of the quality of services as well as process and output indicators such as the number of delays, cases treated and so on. For performance reports to be effective in inspiring changes, the public needs to be willing to engage and demand results from public administration, which requires a certain level of trust in the administration.

43. A variety of methods beyond formal oversight can also be seen within specific sectors and could be reinforced. For example, participation in programme design and delivery has been used to foster accountability in education.

44. Observatories of public services and laboratories for public service innovation have multiplied in recent years. The press has a role to play in raising the awareness of citizens on questions related to accountability in public service delivery.

45. Charters of public services can also be important tools by providing benchmarks against which performance can be measured. But they are not sufficient and need to be accompanied by other standards, indicators, norms and expectations for public services. Evaluating individual performance and linking salaries of public servants with individual performance may be helpful in some cases, following the private sector model, while recognizing that difficulties can arise in evaluating performance objectively.

Progress on building inclusive institutions

Leaving no one behind

46. The Committee reiterated that the principle of leaving no one behind should be a core principle of public administration and that public policies should take into account the needs and aspirations of all segments of society, including the poorest and most vulnerable and those subject to discrimination. Institutional strategies for leaving no one behind have been the subject of discussion at previous sessions and

underpin the Committee's contributions to the themes of the Economic and Social Council and the high-level political forum, including its contribution to the 2019 thematic review on empowering people and promoting equality and inclusion. For a summary of the Committee's assessment of progress on leaving no one behind, see chapter III.A.³

Promoting non-discriminatory laws and policies

47. Discrimination against women, minorities, indigenous people, and other groups remains a global problem. Gender stereotypes persist and gender-based interventions often do not result in real change, and in some cases can even worsen the gender gap. Further action is required to reduce discrimination and break down cultural barriers. Gender budgeting can help and many countries have adopted some form of it over the past decade.

48. Public administration should lead the fight against discrimination by way of example. With respect to promoting gender equality, public administration has a responsibility to take action in areas such as promotions, reducing the gender pay gap, and enforcing zero tolerance for sexual harassment. Civic education is an important means to fight intolerance and the polarization of societies.

Participation

49. The Committee expressed concern that there has been limited progress in expanding opportunities for citizens to have a voice in decision-making on a regular basis. Citizenship and engagement have often been reduced to the act of voting, which can be followed by disaffection should the interests of elected representatives subsequently diverge from the interests of citizens. In many contexts, consultation mechanisms, although formally established, may be ineffective or not functioning, and have insufficient regard to evidence-based analysis and deliberation and little to no bearing on policy decisions.

The role of local governments

50. Recalling past discussions on the role of local authorities in implementing the Sustainable Development Goals, the Committee again stressed that local governments are well placed to design and implement solutions at the grassroots level, for example local housing solutions for the homeless, and that capacity-building for local governments and training of locally elected officials remains a critical concern in making progress towards the achievement of the Goals.

51. Although there appeared to be a widespread commitment to the principle of subsidiarity in general terms, the Committee observed a concerning trend towards centralization of government functions and authority globally, with local governments often lacking decision-making power and capacity to perform tasks associated with the delivery of basic public services, pursue integrated approaches and other functions related to the implementation of specific targets of the Sustainable Development Goals.

Further monitoring and review of Sustainable Development Goal 16

52. A main challenge in taking stock of progress on Sustainable Development Goal 16 was that institutions vary widely across countries, and so do their performance and effectiveness. This means that global indicators are not well adapted to measuring progress on Goal 16 or capturing the complexities of building strong institutions.

³ The full contribution is available at https://sustainabledevelopment.un.org/content/documents/22476CEPA_contribution_to_2019_HLPF_16_April_2019.pdf.

Monitoring systems not only serve to produce information; they also contribute to keeping certain issues on the agenda.

53. Distinguishing among outputs, outcomes and impacts is very important for the monitoring of Goal 16. Agreed global indicators tend to focus on outputs and processes, rather than on outcomes and impacts. Rather than the number of laws passed or the existence of processes, what is important is the difference that policies make to the well-being of people. This simple criterion should be used to assess the effectiveness of policies.

54. In order to provide data on progress made, countries are developing the capacity of national statistical offices. However, in the case of Goal 16, national statistical offices cannot provide all the relevant information and other sources have to be mobilized, including qualitative ones. Importantly, some dimensions of Goal 16, such as corruption, are politically sensitive and Governments may not always have strong incentives to produce reliable data on them.

55. In monitoring Goal 16, stakeholders outside government can play a role. Examples include independent policy research institutions or fiscal commissions and councils, which look at scenarios, macroeconomic programming and fiscal policies, provided their contribution is more than window-dressing for contentious policies.

56. While monitoring is often highlighted as critical in the context of the implementation of the Sustainable Development Goals, evaluation is also crucial. In reviewing future progress on Goal 16, more effort may be needed to evaluate the impact of institutional reform policies on the achievement of specific targets.

57. Some national policies have had a positive impact on inclusiveness and fostered empowerment. Many such initiatives have focused on access to basic public services for the most disadvantaged, including in the areas of education, housing, health care, and access to jobs.

58. The Committee noted that some countries at low levels of GDP per capita had successfully implemented targeted programmes, including in relation to housing provision, safety nets providing support to persons with disabilities and single-parent families, free provision of school books, and others. Free provision of basic health care for all was noted to have contributed to increasing workers' productivity and reducing absenteeism in schools, among other benefits.

59. The importance of access to quality education was highlighted. Positive impacts of such policy interventions mentioned were, among others, decreased poverty, decreased illiteracy, lower school dropout rates and higher life expectancies.

60. The Committee noted the limits of initiatives that address income poverty alone. Inclusiveness and empowerment require consistent long-term policies that go beyond short-term monetary or disposable income approaches. The impact of education, health, water, energy, sanitation and housing and other non-monetary policies on inclusiveness is more efficient and leads to sustainability.

61. Enhancing access to quality public services can contribute to enhancing trust in institutions. Social accountability initiatives, for example in education or to monitor and prevent conflict, have often had positive impacts. Online platforms for participation can also help to connect institutions with citizens.

C. Relating the principles of effective governance for sustainable development to practices and results

62. The ongoing work of the Committee on elaborating a framework of principles of effective governance for sustainable development, endorsed by the Economic and Social Council in July 2018, serves a dual purpose: to outline an inclusive, collaborative process for building strong institutions at all levels and to enrich its policy advice on issues in governance and public administration, both with a view to strengthening evidence-based and action-oriented support for the implementation of the 2030 Agenda.

63. An informal working group of members was organized during the intersessional period to take the initiative forward. Issues arising in connection with the activities of the group were identified in a paper that was presented to the Committee at the session (E/C.16/2019/4).

Expanding on commonly used strategies to operationalize the principles

64. The Committee recalled that 62 commonly used strategies to operationalize the principles had been identified as part of the framework, each associated with one of the 11 principles. The Committee agreed that a common understanding of the concepts and main factors underpinning the implementation of each strategy could assist in seeing the full picture of institution-building, sharing findings of common interest and pursuing priorities accordingly. The working group was encouraged to take a lead role in identifying the factors, determinants and challenges related to uptake and consider the extent to which each strategy is being pursued in the public sector worldwide, while recognizing that authoritative global surveys may not always be available.

65. As indicated in previous deliberations of the Committee, such guidance could helpfully be illustrated with case studies, promising approaches observed at the national and subnational levels, and opportunities to connect with others through international cooperation, peer-to-peer learning and research.

Engaging global experts and all relevant stakeholders

66. The Committee noted that technical guidance should be based on global expert opinion for quality assurance and systematically involve relevant organizations. Consensus-building among global experts and stakeholders will also be important to avoid an indiscriminate approach and key to successful implementation in various development contexts. Continuing engagement with the African Peer Review Mechanism, the Organization for Economic Cooperation and Development and other regional actors with substantial experience in governance matters should be actively pursued.

67. In assessing the relevance of related research, care should be taken to ensure that methodological choices are grounded in evidence and that research designs and approaches are fit for purpose, participatory and practice-oriented and likely to generate the intended outcomes. Internal and external peer review, following a well-defined process, could be essential.

68. The Committee noted the engagement of its informal working group with the International Organization of Supreme Audit Organizations Development Initiative and welcomed the invitation of the Initiative to provide input into a future audit model of implementation of the Sustainable Development Goals, drawing on the principles of effective governance.

69. The global evaluation community could also be invited to advise on ways to analyse the impact of the basic norms embodied in the principles on the achievement of the Goals in different development contexts and, similarly, the strength of the impact of the commonly used strategies on the operationalization of each principle.

Linking the principles to work on governance indicators

70. The Committee agreed that it could be useful to associate a set of global Sustainable Development Goal indicators with each of the principles as illustrated in the annex to the paper, with a view to contributing to strengthening the analytical basis for assessing the impact of reform policies on building strong institutions and achieving the Goals.

71. The Committee and the Praia Group on Governance Statistics noted a high degree of conceptual consistency between the Praia handbook framework and the principles of effective governance, notwithstanding some differences in terminology. The Committee welcomed continued collaboration with the Praia Group and observed that a contribution could be useful in areas that may be less studied by the statistical community, for example in connection with the principles of collaboration, independent oversight, subsidiarity and intergenerational equity.

72. The Committee noted that the elaboration of methodologies for tier III indicators for Goal 16 is one of the main activities of the Praia Group, and looked forward to the Group's further progress in this area in advance of the 2020 global review of Sustainable Development Goal indicators by the Inter-Agency and Expert Group on Sustainable Development Goal Indicators and the Statistical Commission.

Promoting operationalization of the principles at the country level

73. The Committee welcomed the pioneering commitment by Ecuador to the operationalization of the principles. The United Nations regional commissions and other global and regional actors could be valuable partners in supporting related capacity development at the national and subnational levels, and in reviewing and monitoring the use of the principles by interested countries.

74. The Committee noted that further research by academic networks and others could focus on the application of the principles in various development contexts, including in post-conflict situations, studies of governance failures and successes, the role of new technologies in implementing the commonly used strategies, and assessment of how best to apply the principles within existing institutions and promote them among the public sector workforce.

75. The Committee stressed that engaging tertiary and professional training institutes and communities could be helpful. Similarly, raising awareness of the principles through civic education in schools and other educational institutions could be considered.

D. Building institutions to promote peaceful and inclusive societies and provide access to justice for all

Developmental approaches to inclusive justice

76. The Committee stressed that linear and short-term approaches to peacebuilding, insufficient understanding of local conditions and inadequate engagement with local actors can hamper efforts to rebuild institutions in post-conflict countries. Providing access to justice and ensuring the rule of law are closely linked with the legal empowerment of the poor and other vulnerable groups. Legal empowerment requires

assurances of legal identity in addition to quality education, information, access to affordable legal services and dispute resolution processes and legal aid. In all these areas, cultural awareness is crucial.

77. Incremental changes spread over longer timescales with specific focus on marginalized populations can also be useful. Non-linear, process-oriented approaches to security sector reform allow for more agility in enforcing justice. They entail moving from principles to practices, setting and analysing problems in terms of the values, interests and expectations of stakeholders, including public servants.

78. Recent research on United Nations peacekeeping operations, specifically, has revealed three challenges hampering the effectiveness of international interventions: lack of flexible funding, complexity of logistical management, and an absence of adequate oversight over suppliers.

Contemporary approaches to security and justice

79. The Committee observed that Goal 16 puts human security at the forefront of peaceful and inclusive societies and links it with effective governance, rule of law and access to justice. It inherently recognizes the need to take inclusive, long-term and causal approaches to conflict resolution.

80. Promoting security and justice necessitates a long-term mentality of leaving no one behind. It requires moving from State-centrism and techno-centrism to engaging with local and customary institutions, power structures and networks of justice. Such bottom-up approaches are particularly important in contexts where formal mechanisms of justice have limited reach.

81. Peacebuilding interventions must be contextually appropriate and place adequate focus on institutions, particularly at the local level, and adopt longer-time perspectives recognizing that short-term engagement with local actors can serve longer-term purposes. Places where needs are most apparent, such as remote rural areas, could be prioritized. Ensuring daily and long-term security requires looking at the links between accountability, transparency and participation.

82. Despite strong evidence of the positive impact of women's involvement in peacebuilding, as both beneficiaries and decision makers, their role remains limited. Patriarchal norms may impede participation, thus hampering bottom-up approaches to justice and security. Engagement of trained female police officers and judges can lead to higher reporting of violence against women and girls while strengthening accountability and sustaining peace. Efforts could be made to enhance the availability of sex-disaggregated data in the security and justice sectors.

New approaches to inclusive justice

83. The Committee underscored that new approaches to inclusive justice emphasize the important role of politics, institutions and society in State-building. Lack of justice is among the leading causes of violent conflict.

84. Justice systems should include dispute mediation, settlement, reconciliation and healing for all affected parties. When such formal mechanisms exist, there may still be niches of legal uncertainty. The judiciary may not be proactively involved in the implementation of the Sustainable Development Goals in some contexts. In others, such as remote rural areas, judicial processes may be limited or absent, or take too long to conclude.

85. The engagement of civil society organizations, including through regulatory approaches, can be instrumental in enhancing access to justice and security. There is a need to focus on collaborative action and take into account the disadvantages that

many organizations, especially women's organizations, may face in participating in public forums. Special measures to ensure a higher proportion of women in elected positions can be beneficial, alongside gender-responsive approaches to public policymaking.

86. Funding to enhance access to justice and build the capacity of civil society should be a priority. Current financial systems and funding mechanisms should be better aligned with hybrid institutional processes of building peaceful and inclusive societies. Hybrid approaches are those where State and non-State actors engage in partnerships combining modern and traditional modes of social organization, and formal and informal problem-solving.

87. Public financial transparency and accountability can be especially important in post-conflict contexts as a check on crime and corruption, which may otherwise become entrenched in rule of law institutions, such as the police, and reinforce inequalities. Providing the public with key budgetary information, such as pre-budget statements, executive budget proposals, enacted budgets and audit reports, in a timely manner can empower vulnerable groups to act as financial watchdogs. Access to information on revenues and spending across different sectors, service areas, population groups and institutions, including funding of political parties, could be strengthened, particularly at subnational levels.

Promoting synergies with the Peacebuilding Commission

88. In its resolution [70/262](#) on the review of the United Nations peacebuilding architecture, the General Assembly stressed the importance of closer cooperation between the Economic and Social Council and the Peacebuilding Commission, and reaffirmed the centrality of development to sustaining peace. The Committee welcomed a suggestion by the Vice-President of the Council, Omar Hilale, to explore joint initiatives, meetings and sharing of recommendations and country cases with a view to further strengthening the capacity of State institutions and re-establishing credible governance and public administration institutions and systems after conflict.

E. Enhancing the capacity of the public sector in core functional areas of administration

Enduring challenges in the public sector

89. The Committee recognized that most public sector challenges that Governments face at present are highly interdependent and that most public policies have connections to broader global issues. The Sustainable Development Goals present an opportunity to act consciously to align interconnected policies and make strides towards solutions to complex problems. Public sector reforms grounded in the principles of effective governance could be pivotal in accelerating progress.

90. Many public sector workforces have grown considerably, both in size and in the scope of their authority and mandates yet can be unresponsive, paying insufficient attention to questions of inclusion, integration and sound policymaking and the skills and competencies needed to respond to them. Other challenges may include low levels of performance in some countries, inadequate financial resources and remuneration, poor morale and absenteeism, among others.

91. Taking the African region as an example, the Committee noted that stronger commitment to establishing effective institutions, mobilizing financial resources and engaging in multi-stakeholder partnerships is necessary in reforming the public sector of many countries. Ownership of a capacity development vision, strategies and programmes and the linking of national development plans with the Sustainable

Development Goals are also crucial. Likewise, oversight could be strengthened at all levels. Fair compensation of the public sector workforce should be a priority and additional investment in e-government could be explored.

92. At the same time, the Committee stressed that the pace and comprehensiveness of most government attempts to modernize the public service vary significantly from one country to another, and Africa is no exception.

Smart sustainable governance as a new model of governance

93. The Committee recalled General Assembly resolution [72/235](#), in which the Assembly stressed that human resources development is vital to the efforts to achieve the Sustainable Development Goals and to expand opportunities for people, and recognized the need for new ways to address human resources development. Smart sustainable governance was discussed as an emerging model of governance that may be useful in designing institutional reforms to address these challenges and accelerate the implementation of the Goals.

94. Smart sustainable governance envisages putting new technologies at the service of effective, accountable and inclusive policymaking and service delivery. While such technologies as big data, artificial intelligence, algorithmic policymaking, the Internet of things and blockchain can be powerful instruments in the implementation of the Sustainable Development Goals, they are not a panacea and may even undermine efforts to reduce inequalities or protect fundamental freedoms. Smart sustainable governance thus depends on having adequate legal and regulatory frameworks in place that foster innovation on a foundation of ethics.

95. Information and communications technologies, notably artificial intelligence, can be leveraged to identify and tackle corruption, as enablers of transparency and accountability. Timely collection and analysis of reliable and relevant data is also critical to evidence-based policymaking. Complex data should be translated into user-friendly formats understandable to a public that is itself empowered to contribute to data production processes. Efforts to address the information and communications technology skills of an ageing public sector workforce could be accompanied by efforts to attract more young people to public service careers.

96. The role of Government in smart sustainable governance is one of enabling inclusive communication and implementation, including through platforms for data-sharing, knowledge-sharing and peer-to-peer exchanges. Coordination across different jurisdictions and multi-level governance capacities are key. Balanced, ethical approaches to governance, privacy and transparency, particularly in data management and cybersecurity, are important. Further efforts are needed to bridge digital divides with investment in infrastructure and human capital development. These factors may require long-term reskilling in different sectors.

97. The Committee observed that the new skills implied by smart sustainable governance also include pragmatism, future-orientation, an analytical, innovative and long-term mindset, collaboration, leadership and empathy. They also comprise critical thinking, which involves root-cause analysis and the questioning of intrinsic belief systems, complexity, futures and design thinking, deliberative skills and emotional intelligence. Governments could consider investing in the continuous training of the public sector workforce in these areas. Civil service commissions and schools and institutes of public administration could consider including related skills development in training programmes.

98. The Committee emphasized that the smart sustainable governance model is proposed as an additional way of thinking about the role of the public sector alongside

other established governance paradigms such as traditional public administration (1960s), new public management (1980s) and new public governance (2000s).

F. Strengthening fiscal management at the national and subnational levels

Imperative of sound and smart fiscal management

99. The Committee agreed that the 2030 Agenda has generated new demands for integrated, effective and efficient fiscal management systems and policies. Guidelines are needed on interlinking budgetary processes with the relevant targets of the Sustainable Development Goals, and on integrating them with national development plans and programmes. Issues that may undermine implementation of the Goals, such as budgetary deviations, can benefit from further examination. Governments should have a clear, well-structured and long-term fiscal vision. They should provide a consolidated platform to anchor all donor interventions.

100. Sound public financial and fiscal management at the national level requires such measures as full ownership of domestic and international flows and their linking with the Sustainable Development Goals, national policies and priorities; addressing illicit financial flows and corruption; strengthening fiscal transparency through open and collaborative budgeting processes; strengthening accountability and oversight by building the capacity of the judiciary, audit institutions, customs authorities and the central bank; promoting participatory and performance-based budgeting; and encouraging adequate fiscal decentralization.

Involving stakeholders in participatory budgeting

101. The Committee underlined that participatory budgeting allows public bodies to gain knowledge about stakeholder needs, making public spending more responsive. It enables citizens to influence the allocation of public resources. It bolsters transparency and accountability to help curb corruption. It may also advance civic education, participatory democracy, and public trust. It should be used more frequently, especially at subnational levels.

102. Participatory budgeting requires robust and pragmatic monitoring mechanisms such as quarterly reports by Governments to national and subnational legislatures. It also requires efforts to widen the number of stakeholders and to sustain engagement over time. It may also present risks, however, of increased administrative costs and capture by interest groups, particularly at the local level where administrative capacity and incentives for public participation may be limited.

103. Performance-based budgeting that combines performance information with funding with results can be instrumental in enhancing budget transparency, ensuring sound fiscal management and strengthening accountability. Effective performance-based budgeting may require reorganizing public administration and service delivery, and linking planning, budgeting, integrated policy implementation and monitoring. Mechanical and overly dense compilations of performance budgets should be avoided. Strategic planning, budgeting and performance monitoring should be interlinked with coherent accounting, auditing and oversight mechanisms.

104. Although finance ministries play a critical role in all budgetary stages, the role of other internal and external stakeholders should be recognized. Collaboration and partnerships should be reinforced among the Ministry of Finance, Treasury, specialized analytical and policy advisory units, including but not restricted to value for money units, institutes of fiscal policy, fiscal councils and oversight bodies, national banks, data producers, such as the national statistical offices, and non-State

actors comprising, inter alia, the private sector, civil society, media and professional organizations.

105. The involvement of civil society organizations in national budgetary reviews, including through the voluntary national reviews, should also be enhanced. Budgeting for the Sustainable Development Goals at the national and subnational levels could be encouraged. Civic education should be given priority.

Transparency and accountability in public finance

106. Fiscal transparency is still at its infancy in many developing countries. It requires, among other things, proper financial reporting and accounting, timely dissemination of intelligible budget information to the public, strong monitoring and oversight, alignment of the budgetary, accounting and fiscal reports, and openness of the entire process. It is important to consider the quality and timing of the information provided and how it can be used by stakeholders to enhance the effectiveness of public financial management. Fiscal transparency should be complemented by fiscal accountability mechanisms and processes.

107. Budget transparency is at the core of fiscal transparency. It concerns who participates in budget preparation and the setting of fiscal priorities; frequency of audits; and the reliability, clarity and integrity of financial materials. Transparency should extend to extrabudgetary funds, tax expenditures, quasi-fiscal activities and contingent and future liabilities, which allow discretionary spending and increase corruption risks.

108. In the context of the Sustainable Development Goals, budget transparency, inclusiveness and participation can be strengthened by supporting the efforts to monitor budget allocations to specific groups such as women. For example, there are available methodologies to monitor allocations related to Goal 5 (indicator 5.c.1).

Fiscal decentralization

109. Defined as the designation of authority to raise revenues and make spending and borrowing decisions at subnational levels, fiscal decentralization has been associated with lower public deficits and lower expenditure-to-GDP ratios, as well as increased accountability, social capital and participation. Fiscal, political and administrative decentralization are closely linked. Urbanization and the growth of cities also affect the degree and effectiveness of fiscal decentralization.

110. Fiscal decentralization is particularly important for local authorities since they play a central role in service delivery and the implementation of the Sustainable Development Goals. Reciprocally, effective fiscal decentralization depends on having capable subnational governments. Intergovernmental transfers should respect subnational policymaking authority.

111. Fiscal decentralization is not a panacea. There is little consensus on how to optimize allocation of resources. There may be misalignment between revenues and resource needs. Tensions may ensue when the capacity of local governments to collect revenue is limited or if functional devolution is inconsistent with fiscal devolution. In some countries, subnational governments have borrowed beyond established guidelines, thus forcing the central government to bail them out. Fiscal decentralization should be aligned with institutional readiness at the subnational level.

Strengthening fiscal management systems to address illicit financial flows and domestic resource mobilization

112. Strengthening national public financial management systems and fiscal policies is critical for effective implementation of the Sustainable Development Goals. Effective domestic resource mobilization requires considering both the revenue and the spending sides of the budget.

113. Effective domestic resource mobilization requires technical and political responses. It necessitates enhancing revenue administration through modernized and progressive tax systems, improved tax policy, efficient tax collection mechanisms, a broadened tax base, and transparent public expenditures. Digitization can enable some of these reforms. Institutional capacity, leadership and effective control over financial flows are determinants of success.

114. The Committee recommended that countries identify the sources of such flows, raise awareness about their types, magnitudes and risks, analyse their causes and catalysts, and create coherent frameworks to fight them. Their causes and triggering factors, incentive structures and regulatory dynamics should be reviewed. Coherent national, international, sectoral and intersectoral frameworks for monitoring and control should be enhanced.

115. Effective domestic resource mobilization also requires reducing illicit financial flows that can drain foreign exchange reserves, lower tax receipts, divert resources from public spending and reduce the capital available for private investment. Illicit financial flows are also associated with criminal activity, which undermines the rule of law. Reducing illicit financial flows requires robust institutions and committed leadership. National oversight mechanisms such as supreme audit institutions and parliaments should be strengthened. International cooperation and partnerships between Governments, the private sector and civil society should be reinforced.

Chapter IV

Future work of the Committee

116. The Committee will continue to align its work programme with the needs and priorities established by the Economic and Social Council, with a view to contributing effectively to the deliberations of the Council and assisting it in the performance of its functions.

117. At its nineteenth session, the Committee will work on the theme that is adopted for the 2020 session of Council and the high-level political forum on sustainable development and prepare policy recommendations on the governance and institutional aspects of that issue. The Committee would again invite interested voluntary national review countries to engage in an interactive dialogue with the experts on institutional aspects of Goal 16, taking into account interlinkages between Goal 16 and all Sustainable Development Goals.

118. The Committee agreed that the principles of effective governance for sustainable development, endorsed by the Council in July 2018, provided a useful cross-cutting framework for its future work. At the nineteenth session, the Committee would expand on this framework with an emphasis on putting principles into practice and reviewing outcomes.

119. The Committee further agreed that in-depth consideration was needed of particular aspects of such broad institutional challenges. It decided to focus on matters relating to the government and public sector workforce of the future, building institutions for peaceful and inclusive societies and providing access to justice for all, and public sector training and budgeting for the Sustainable Development Goals. The Committee decided to organize informal intersessional working groups on these topics, while taking into consideration the need to produce technical and expert analysis, assessments and policy recommendations to inform efforts to implement the 2030 Agenda, as stipulated in General Assembly resolution [72/305](#).

120. The Committee also decided to keep its methods of work under review and looked forward to continuing engagement with other subsidiary bodies of the Council, the Peacebuilding Commission and other United Nations processes, as appropriate, with a view to promoting linkages and informing the integrated view of the Council.

Annex

List of documents

<i>Agenda item</i>	<i>Title or description</i>
2	Provisional annotated agenda (E/C.16/2019/1)
3	Note by the Secretariat transmitting the expert paper on enhancing the capacity of the public sector in a fast-changing world for the achievement of the Sustainable Development Goals (E/C.16/2019/2)
3	Conference room paper on enhancing the capacity of the public sector in core functional areas of administration: African perspective
4	Note by the Secretariat transmitting the expert paper on governance and public administration aspects of empowering people to build equal and inclusive societies for the twenty-first century (E/C.16/2019/3)
4	Conference room paper on the use of tax records for the achievement of the Sustainable Development Goals
4	Draft contribution by the Committee to the 2019 thematic review of the high-level political forum on sustainable development
5	Note by the Secretariat on relating the principles of effective governance for sustainable development to practices and results (E/C.16/2019/4)
6	Note by the Secretariat transmitting the expert paper on building institutions to promote peaceful and inclusive societies for sustainable development and provide access to justice for all (E/C.16/2019/5)
6	Conference room paper on collecting and spending money in such a manner as to best empower people and ensure inclusivity and equality
7	Note by the Secretariat transmitting the expert paper on strengthening fiscal management at the national and subnational levels (E/C.16/2019/6)
8	Note by the Secretariat on progress on institutional aspects of Sustainable Development Goal 16: access to information, transparency, participation and accountability (E/C.16/2019/7)

