

**MAIN DEPARTMENT
OF THE CIVIL SERVICE OF UKRAINE**

PROFESSIONAL CIVIL SERVICE:

**WHAT HAS BEEN DONE
AND WHAT IS NEXT**

**Public report
on activity in 2005**

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CIVIL SERVICE IS FOR PEOPLE

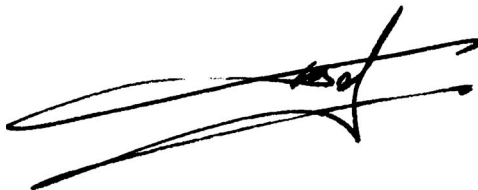
Civil servants are managers and specialists, who work professionally in the government bodies and take part in the development, realization, and evaluation of public policy. The level of satisfaction of lawful interests of citizens, the government, sustainable development of the country and its competitiveness on the international scene depend on the level of professionalism and transparency of civil servants.

Reorganization of the civil service is impossible without public involvement. The important factor of success is public awareness and participation in the processes of strengthening the institutional capacity of the civil service in Ukraine and its approximation to the standards of the European Union.

Publicity is vitally necessary for a democratic government bringing it closer to the real life, preventing indulgence in illusions or narrow political priorities. It is determined by intelligibility of a modus operandi of the power, its sensitivity to needs of the individual and society, also by separation of decision-making mechanisms from political activity.

The society wants to see the civil service professional, fair and responsible. Our aspirations coincide in this completely. The new role of the civil service is about being a politically neutral and impartial intermediary between political power and the society. According to this European understanding the bureaucrat turns from arbiter of the citizen to the organizer of his (her) dialogue with the state.

That is why we always demonstrate an openness of our intentions, transparency of our decisions and actions, by reporting before the public with the document, in which the information about actual results of our activities based on the priorities of the Main Department of the Civil Service of Ukraine during the passed year is assembled. We would like to present our public report to provide with the idea about mechanism of functioning of the civil service.



T. Motrenko

*Head of the Main Department
of the Civil Service of Ukraine*

«Do things today that others start to think about tomorrow».

Winston Churchill

We, the team of Main Department of the Civil Service of Ukraine, understand our mission in facilitating the creation and efficient performance of orderly, professional, patriotic, and politically neutral civil service, which will serve the interests of the society.

The Main Department of the Civil Service of Ukraine (MDCSU) is the central body of the executive power, responsible for implementation of unified state policy in the civil service area and its functional management.

PRIORITIES OF MDCSU ACTIVITIES IN 2005¹

- 1. Improvement of the legislative and regulatory base of the civil service regarding the principles of the European administrative environment.**
- 2. Strengthening of the institutional capacity of MDCSU to implement the unified state policy in the civil service area and personnel management in the civil service system.**
- 3. Increase of the material and social status of the civil servants.**
- 4. Prevention of incidences of corruption in the civil service.**
- 5. Improvement of activity of the apparatus of the central and local bodies of executive power.**
- 6. Development of professional capacity, in particular, of the top executives of the civil service.**

In realizing the mentioned priorities we were guided by the following principles:

- legality and rule of law;
- use of experience and standards of the European Union in public administration;
- orientation at needs of the consumers of our services;
- openness and transparency.

Priorities of the activity in 2005 were implemented through the following tools:

- development of the new civil service legislation;
- organization of functional reviews of bodies of the executive power;
- reforming of the system of professional training of the civil servants;
- actuation of changes in the pay system of the civil servants;
- improvement of a management system of MDCSU;
- increase of professionalism and motivation of the MDCSU personnel;
- reorganization of the institutional framework of territorial units of MDCSU;
- involvement of key stakeholders to the decision making process.

¹ Ratified by the Cabinet of Ministers of Ukraine

1. IMPROVEMENT OF THE LEGISLATIVE AND REGULATORY BASE OF CIVIL SERVICE ON A BASIS OF PRINCIPLES OF THE EUROPEAN ADMINISTRATIVE ENVIRONMENT

In 2005 MDCSU developed 42 drafts of regulatory and legal instruments, that is 13.9 % higher than during the similar period in 2004. Also during the specified period the quantity of the prepared drafts of regulatory and legal instruments initiated by MDCSU (23 against 19 in 2004) has grown by 21.0 %.

The main results of realization of the first priority are three documents, which introduction was necessary for reforming of the civil service and its approximation to norms and standards of the European Union. The draft of the new Civil Service Law is one of importance.

1. The Draft Civil Service Law

The draft law is developed by a working group at the Cabinet of Ministers of Ukraine headed by Roman Bezsmertnyi, the Vice-Prime Minister of Ukraine.

During June — September of 2005, MDCSU carried out public and expert discussions of the draft law with involvement of leading specialists of the European Union. The public campaign involving about 12,000 persons took part was held in the capital and regions of Ukraine. As a result more than 3.5 thousand proposals and comments were received, and majority of them was implemented. The draft law takes into account modern needs and requirements to the civil service from the citizens, policy-makers and civil servants, as well as the basic principles and best practice in this sphere of the EU member countries. The draft law was submitted to the Cabinet of Ministers of Ukraine.

The draft law defines the basic principles of the civil service: rule of the law, legality, patriotism, integrity, professionalism, political neutrality, loyalty, openness, transparency, stability, responsibility and equal access to the civil service. Implementation of these principles in the civil service is a necessary condition of integration of Ukraine into the European Union.

Professional civil service is the European future of Ukraine

On June 21, 2005 the international conference entitled «The Civil Service Reform – Strengthening the Administrative Capacity for Membership in the European Union» was held in the premise of the Club of the Cabinet of Ministers of Ukraine under the initiative of Government of Ukraine and World bank.

The top-level officials from the state authorities of Ukraine and EU countries, diplomats, representatives of NGOs, educational institutions and scientific establishments took part in the conference.

Roman Bezsmertnyi, the Vice-Prime Minister of Ukraine and Paul Birmingham, the World Bank Director for Ukraine, Belarus and Moldova had opened the conference.

Roman Bezsmertnyi, in particular, has emphasized the necessity of radical changes in the relations between the state and society, change of philosophy of the Ukrainian bureaucracy: «As long the state will form a society the official will control the citizen».

Mr. Paul Birmingham has mentioned in his statement: «At formation of the aid program to Ukraine, the civil service reform is essential not only for realization of those projects, which we are going to implement in

Ukraine but also for performance of the governmental program «Towards the people».

The international conference became one of the important public campaign events on discussion of the draft law on the civil service, initiated through the basic programmatic documents of Government of Ukraine, such as the EU – Ukraine Action Plan and the Program of Activity of the Cabinet of Ministers of Ukraine «Towards the people». The conference at participation of the top-level officials from the EU member states has allowed analysis of the conformity of the draft law with the basic European principles and norms.

Experience of reform of the civil service in the Baltic countries and the Republic of Poland have been presented at the conference by Gunta Veismane, the Director of the State Chancellery of the Latvian Republic and by Mr. Jan Pastwa, the Head of the Civil Service of Republic of Poland. One of the renowned specialists in the area administrative and civil service reform, Sir Robin Mountfield, the former Permanent Secretary of the Cabinet of Ministers and Head of the Civil Service of United Kingdom has also delivered a speech at the conference.

Recommendations of Conference Participants and Address to the Civil Servants of Ukraine were approved according to the results of the conference.

Why the society is interested in adoption of a new Civil Service Law?

The draft Civil Service Law is aimed to the solution of the following three systemic problems of the civil service, which harm today most of all to the Ukrainian society and constrain development of the country.

1. Ukrainian civil service can not be considered professional in a modern European understanding

The following facts testify it:

- **personnel turnover** makes about 20 % per year, that is each fifth civil servant resigns every year;
- **the appointment to positions of I and II of categories** (heads of bodies of the executive power and their deputies) occurs without competition and is not based on merit;
- **the activity of all civil servants depends on direct influence of politicians**, because in most cases contrary to the European practice, politicians appoint a significant number of the civil servants.

1.1. Where is the danger of this problem for the society?

- **There are inconsistencies and unpredictability of state policies during change of political leaders.** The democratic change of power is ensured through elections whereas sustainability depends on the professional civil service. This is the essence of checks and

balances in the society that protects the interest of the public, counterbalancing group politics, arbitrariness of power, and oligarchy.

- **In a poor quality of administrative services.** Because many state decisions are made on the basis of private, not public interests, arbitrariness of decision-makers grows.
- **In the risk of interconnectedness of power and business, and lobbying of interests of individual political and business groups instead of protection of public interests.** Professional civil service is the buffer between the society and politics, and when it is weak, it creates opportunities for «symbiosis» of business and power.

1.2. How this problem will be solved with the new law?

The new law is based on a new understanding of professionalism of the civil service that consists in objectivity, fairness, and impartiality at preparation of political and adoption of the administrative decisions, application of the law, independence of the professional position of a civil servant in relation to political or private interest, fidelity to interests of the society, loyalty to the state and its legitimate political administration, integrity. The continuous improvement of skills during entire civil service career is also important. The basic precondition of professionalism of the civil services is competitive selection to all positions of the civil servants.

For this purpose the following legal mechanisms are provided by the new law:

Trade Unions have supported the draft of the new Civil Service Law

On September 9, 2005 the draft Civil Service Law has been considered and approved by the VII plenary session of the Central Committee of Trade Unions of civil servants of Ukraine.

«The law should create the preconditions for radical change of motivation for the joining the civil service: the basic pay in the structure of monthly salary of the civil servants should not be smaller than 80—90 %; the bonuses for professional skills, which are not stipulated by the qualifying requirements to the position, should not be provided, and those, which are already exist should be included into basic pay; the pension of the civil servants should

be adequate to the objectively evaluated personal input of the civil servant and can not depend on changes of conditions of pay of the working civil servants; the grounds for obtaining of pension by the civil servant should not stimulate retaining in the civil service of people of retiring age.

Taking into account that separation of political and administrative positions and the introduction of institute of the state secretaries in ministries will raise social protection of civil servants, the draft civil service law should be adopted with consideration of proposals concerning the strengthening of the social status of the civil servants», as mentioned in the plenum's resolution.

- **Separation of political and administrative positions.** *The draft law settles this issue by introduction of a position of top-level official in the system of civil service — the head of civil service in a body of the executive power, who is responsible for appointment and dismissing of civil servants and who manages human, material, financial and information resources of the body.*

- **Competitive selection to all positions of the civil servants.** *The draft law provides that the only way of entering the civil service, except those for which the political appointments can be made (heads of the central bodies of the executive power, which are not members of the Cabinet of Ministers of Ukraine, and heads of local public administrations), should be the open and transparent competition.*

- **Restriction on involvement in political activity (non-partisan) and business.** *It cannot be interpreted as infringement of the constitutional rights of the citizens, because the civil service by its nature provides the certain set of the rights, duties and restrictions. The citizen, entering on civil service, makes a free choice and consciously refuses for a specific period of time of the service from the part of his (her) rights. The civil servants should not publicly express their political commitments, to be the members of political parties.*

- **Protection of the civil servants from illegal actions of their supervisors.** *The new law will guarantee to each civil servant protection of the professional activity from influence of political and private interests, having provided reliable legal mechanisms, which will give an opportunity to each civil servant to carry out the duties professionally and impartially irrespective of human will of their top executives or external factors. The most important of such mechanisms are as follows: the transparency and predictability of salaries, which amount will not depend on will of the head of the body; the clear base for actions of the civil servant in the case of receipt of the illegal order from supervisor; the mechanism of the appeal against decisions on appointments and dismissals of the civil servants of all categories or results of performance appraisal.*

2. *The present quality of the relations between the state and a civil servant provokes corruption and irresponsibility*

The State pays a small salary to the civil servants and protects them insufficiently but it does not require too much. The State creates unequal opportunities and latent stimuli. The fact that it is almost impossible to get some positions by passing fair competition, and there is no com-

petition for other positions where only one person can apply for a vacancy can serve as a proof of it.

*These low official salaries established by the State allowed such situation when the civil servant counts on «the hidden opportunities» of his (her) position. **This is the basic reason of corruption and abuse of power.***

The numerous supplements, bonuses and additions to basic pay of civil servants, which are assigned by top executives arbitrarily, make the system of pay nontransparent, and civil servants become dependent on their top executives. It is clear, that in such conditions the civil servants are forced to please their top executives diminishing objectivity and impartiality at preparation of political decisions and approval of administrative decisions.

The system of salaries and pension bonuses attracts to the civil service persons who have the large experience of job in the Soviet time, and it does not allow the youth that grew and studied already in democratic Ukraine to become a civil servant.

The civil servants have significant authority and power but there are no real mechanisms in place to control how they carry out their duties, and disciplinary system does not yet exist.

2.1. *Where is the danger of this problem for the society?*

The hidden opportunities, which the State creates for the civil servant, make him (her) immune and unpunished; strengthen the power of the bureaucrat over the society and a citizen. Arbitrariness in administrative decision making, the nontransparent way of provision of administrative services create an aura of «mystery» around the bureaucrat and do not allow citizens to understand boundaries civil servants' powers and opportunities for realization of the citizen's rights.

The citizen becomes ever more dependent on the bureaucrat and gets used to the necessity to bribe officials and promote corruption. Vicious circle is created and corruption becomes an illness of all society. It is well-known that the corruption hinders the economic development and causes poverty. Transparency International rates Ukraine as 113 out of 159 countries in the world in 2005.

The basic load of civil service in the future is on the people which have been brought up in the Soviet times. There is insufficient renewal of bureaucracy. The youth of new Ukraine who are not indifferent to destiny of the state and ready to invest themselves and their intellectual resources in its development and future of the nation, actually have no opportunity to realize themselves and their patriotic intentions.

2.2. How this problem will be solved with the new law?

This law will:

- **Ensure equal opportunities for entering the position of any category of the civil service.** It means that any citizen will have an opportunity to take part in the competition on holding any position in a system of the civil service.
- **Transform the constitutional norm**, which guarantees to the citizens the right of equal access to the civil service, **from the declaration to the concrete mechanism.**
- **Allow to realize a principle of equal pay** for equal work, eliminating discrimination by an interdepartmental and territorial principle. In other words, the pay will depend on the contents of job, instead of the status of a body. Each citizen when entering the civil service will know the level of pay they can expect. The salaries will be defined by the State as by the sole employer of each civil servant, instead of head of a body on the own discretion.
- **Will introduce disciplinary responsibility of the civil servants** defining specific penalties for specific infringements of legal and ethical norms.

3. Civil service is not sufficiently controlled by the State

The following facts serve as evidence of this problem:

- arbitrary and groundless classification of specific positions as top categories in the civil service;
- absence of the unified standards of management of the civil service, excessive information protection and corporation of civil service in separate bodies of state power;
- the civil servants of top categories are not subject to performance appraisal and disciplinary sanctions.

3.1. Where is the danger of this problem for the society?

It is too costly for the society to maintain the civil service, which is uncontrolled in its activities, powers, and privileges.

Every top executive actually can have the own «patrimony» in the system of the civil service, where they estab-

lish rules on their own discretion. Thus an average citizen who needs to obtain a certificate or license, should bypass tens of such «patrimony», and should adapt to whims of «variegated bureaucrats».

The society has no leverage to influence civil servants of high ranks. They go unpunished from the part of the society on the one hand but on the other hand too sensitive to changes of the personal attitude to them from the part of political management, and that is why they are insufficiently objective and impartial.

3.2. How this problem will be solved with the new law?

The sphere of regulating legislation in the civil service is clearly defined that is the new law will give the exact answer to a question who is and who is not the civil servant in public sector.

The control system of the civil service is created transparent and accountable that will ensure the unified standards of professionalism in the whole civil service. The new law, taking into account practice of the EU countries and Ukrainian traditions, will establish the following control system of the civil service:

- Civil Service Administration of Ukraine is a central body of executive power on issues of the civil service;
- Institute of the head of civil service in a body of the executive power;
- Structural division on personnel management of body of the executive power.

Civil Service Administration of Ukraine will ensure the formation and realization of state policies in sphere of the civil service; will develop drafts of legal and normative regulations in the civil service; will carry out management of the civil service in the system of bodies of the executive power through the state secretaries of the ministries, top executives of other central bodies of the executive power and heads of staff of regional public administrations; will ensure compliance with civil service legislation.

The management of civil service in the executive power body will be carried out by head of civil service in this body.

The role of personnel management unit in bodies of the executive power, on which the new law will entrust with the basic powers concerning organization of management of the personnel in the body and maintenance of the unified standards of the civil service, will be strengthened.

Connection of the draft Civil Service Law with other drafts in a sphere of administrative reform

The new draft law on the civil service is closely connected to other key drafts in sphere of administrative reform, in particular with the Law on the Cabinet of Ministers of Ukraine and the Law on the Ministries and Other Central Bodies of the Executive Power. These drafts are prepared by the Government working group on uniform conceptual bases, and the draft Civil Service Law should be at the basis because it makes a clear separation between political activities and the civil service. The implementation of the Law On the Cabinet of Ministers of Ukraine and the Law On the Ministries and Other Central Bodies of the Executive Power is possible only in the case of adoption of the Civil Service Law.

The draft laws on the Cabinet of Ministers of Ukraine and on the Ministries and Other Central Bodies of the Executive Power foresee the introduction of the position of the State Secretary of the Cabinet of Ministers of Ukraine (chief executive of the Government apparatus with the status of the civil servant of top rank), positions

of the state secretaries of the ministries (top executives of the ministries with the status of the civil servant). These officials should be entrusted with the appropriate powers of the chief executive of the head of the executive power. Besides the drafts provide clear separation of political positions (Prime Minister of Ukraine, vice-prime ministers, ministers and their deputies), positions of the civil service (administrative positions) and employees who are not classified as civil servants (first of all employees performing supporting and auxiliary functions).

One of the most important novelties of the mentioned drafts from the point of view of reforming the civil service is the assuming of powers for appointment and dismissing of the civil servants and employees of the ministries and their territorial bodies to the competence of the state secretary of the ministry as well as competitive selection to a position of the State Secretary of the Cabinet of Ministers of Ukraine and deputies, state secretaries of the ministries and their deputies.

2. The Draft Decree of the President of Ukraine on the Concept of Development of the Legislation on the civil service in Ukraine

The Draft of this Decree was developed by MDCSU, approved by the Cabinet of Ministers of Ukraine on August 17, 2005, signed by the President of Ukraine and published on February 20 of 2006, No. 140.

This Decree has replaced the Decree of the President of Ukraine on the Concept of Development of the Legislation in the civil service of January 5, 2005 No. 1, which approved a political framework for the subsequent improvement of the legal regulation for the civil service in Ukraine and development of draft Civil Service Law.

«The political and administrative positions in bodies of the state power should be separated based on the differences of character of powers, authority and the way of appointment and dismissal, ensuring the compliance with the Constitution of Ukraine, which stipulates that bodies of state power and officials are obliged to work only on the basis and in the borders of powers foreseen by the Constitution and legislation of Ukraine.

The law should define an exhaustive list of political positions. Thus a position of the state secretaries as top administrative positions in these bodies should introduced whereas deputy ministers should be political positions.

It should be established that the state secretaries and their deputies are top civil servants. The law should set the list of top positions of civil service, it should establish additional guarantees for social protection of the persons, which can be nominated to such positions, also it should establish the term of appointment, during which the appropriate appointments entitle to assignment of the appropriate rank of the civil servant, reception of additional social privileges and guarantees.

It should implement more efficient legal mechanisms of provision of activity of the civil servants and their independence of the personal position of political persons, also it should improv the order of formation of state policies, legal mechanism of guaranteeing of a political neutrality of the civil servants, having provided, in particular, termination of their membership in political parties during their stay as civil servants. It should also introduce mechanisms of prevention of the conflict of material and other personal interests of the civil servants, protection of their interests in case of change of structure, liquidation or reorganization of a body of state power».

Extract from the Concept of Development of the Legislation on the civil service in Ukraine, approved by the Decree of the President of Ukraine of February 20, 2006, No. 140

The new edition of the mentioned Concept contains in comparison with the previous one an important provision on separation of political and administrative positions in the system of central bodies of the executive power and formation of the top executives of the civil service. It becomes the important step on the way to stabilization of civil service, professionalism of the civil service, its de-politicization and guaranteeing of political neutrality.

3. The Draft Decree of the President of Ukraine on Separation of Political Positions and Positions of Civil Servants in the System of the Central Bodies of Executive Power

This draft was developed by MDSCSU under instruction of the Prime Minister of Ukraine with the purpose of the preliminary approbation in borders of the constitutional environment of key provisions of draft Civil Service Law even before its adoption. The draft decree of the President of Ukraine was approved on 14th of December, 2005 by the Cabinet of Ministers of Ukraine.

Key basis of the draft is separation of political positions and positions of the civil servants in the system of central bodies of the executive power by implementation of positions of the political deputy ministers (vice-ministers), positions of the State Secretary of the Cabinet of Ministers of Ukraine,

state secretaries of the ministries as top positions of the civil servants in the system of the central bodies of the executive power and definition of their powers; competitive selection for a position of the State Secretary of the Cabinet of Ministers of Ukraine and state secretaries of the ministries.

What is the importance of the draft for reforming of the civil service?

The approval of the draft by the Cabinet of Ministers of Ukraine means acceptance by the Government of proposed policies of reforming governmental secretariat, ministries and the whole system of the civil service in connection with separation of political and administrative positions. It should facilitate adoption and subsequent implementation of the Civil Service Law developed on the same bases.

The draft decree of the President of Ukraine proposes introduction of the position of the State Secretary of the Cabinet of Ministers of Ukraine as a head of the Secretariat of the Cabinet of Ministers of Ukraine, and state secretaries of the ministries.

In our opinion, such attempt of an embodiment of the European approaches and rethinking of own Ukrainian experience in reforming the civil service can be interesting for the society and specialists working in this sphere, as it justifies a position of Ukrainian Government of Ukraine on this issue.

Fundamentals of the Draft decree of the President of Ukraine on Separation of Political Positions and Positions of the Civil Servants in the System of the Central Bodies of the Executive Power

1. The status of the state secretaries

Professionalism, stability, and political neutrality of the civil service should be reached thru the introduction of the State Secretary of the Cabinet of Ministers of Ukraine and state secretaries of the ministries for the period of 5 years on the basis of open and transparent competition, which should be organized and performed by the Main Department of the Civil Service of Ukraine. The State Secretary of the Cabinet of Ministers of Ukraine could not be released from this position in connection with the termination of powers of the Cabinet of Ministers of Ukraine or changes in its structure.

1.1. The State Secretary of the Cabinet of Ministers of Ukraine

It was proposed to determine the basic tasks of the State Secretary of the Cabinet of Ministers of Ukraine as

follows: support to the activity of the Prime Minister of Ukraine, First Vice-Prime Minister and vice-prime ministers, management of the Secretariat activity on organizational, analytical, legal, information, logistical and other support to the Cabinet of Ministers of Ukraine thus guaranteeing its stability and continuity.

It was provided that the State Secretary of the Cabinet of Ministers of Ukraine would be entitled to chair meetings of the state secretaries of the ministries and chiefs of other central bodies of the executive power for the preliminary preparation of the draft regulations of the Cabinet of Ministers of Ukraine and other issues for their consideration by the Cabinet of Ministers of Ukraine with the purpose of planning, coordination and agreeing of the proposals on government policy. It would become the important factor of strengthening of a role of Secretary of the Cabinet of Ministers of Ukraine in the coordination process of policy

formation. At the same time, the State Secretary of the Cabinet of Ministers of Ukraine would not have the right to give orders to the state secretaries of the ministries and chiefs of other central bodies of the executive power.

1.2. The State Secretary of the Ministry

It was proposed to determine the basic tasks of the state secretary of the ministry as follows: support to the activity of the minister and vice-minister, organization of activities of the ministry's staff, provision of stability and continuity of a ministry.

The important factor of overcoming of post-soviet traditions and approximation of the public administration in Ukraine to the standards of the European Union would become transfer of powers on appointment and dismissal of civil servants in the ministries and management of financial and material resources of the ministry from the minister to the state secretary of the ministry.

It was planned that the state secretaries of the ministries will be accountable to the appropriate ministers. They would not be entitled to make political decisions, to execute duties of the minister in case of his (her) absence, to report at sessions of committees of Verkhovna Rada of Ukraine, plenary session of Verkhovna Rada of Ukraine and sessions of the Cabinet of Ministers of Ukraine, to submit draft laws, drafts of other normative and legal regulation and issues of state policies.

2. The status of political deputy ministers (vice-ministers)

The draft provided the implementation of a position of the vice-minister, which would carry out duties of the minister in case of his (her) temporary absence. It was planned that the position of the vice-minister by the character of powers, order of appointment to the position and dismissal will belong to political categories and will not be related to categories of positions of the civil servants determined by the law of Ukraine on the civil service.

The vice-ministers should be nominated and dismissed by the Cabinet of Ministers of Ukraine on assignment of the appropriate ministers. The power of the vice-ministers would be ceased from the moment of the termination of powers of the Cabinet of Ministers of Ukraine or the appropriate minister.

It was planned that vice-minister would replace the minister at sessions of the Cabinet of Ministers of Ukraine and governmental committees with the right of a consultative vote; presentation of the ministry in relations with other bodies of state power, enterprises, establishments and organizations under instructions of the minister; sup-

port of interaction of the ministry with political parties, associations of the citizens, parliamentary fractions and deputy groups.

It is important, that the draft laws, drafts of other normative and legal regulations and issues of government policy, belonging to the competence of the ministry, would be reported on the plenary sessions of Verkhovna Rada of Ukraine and sessions of the Cabinet of Ministers of Ukraine exclusively by minister or vice-minister on his (her) instruction.

Ukraine already has an experience of implementation of positions of the state secretaries. In 2001 by the Decree of the President of Ukraine state secretaries were introduced in the ministries and Secretary of the Cabinet of Ministers of Ukraine, and this practice was discontinued after one year.

There were three obstacles on the way to the efficient implementation of institute of the state secretaries in Ukraine.

First, the state secretaries had in practice a significant number of political functions. For example, they carried out duties of the minister in the case of his (her) temporary absence, represented the ministry in the Verkhovna Rada and took part in sessions of the Cabinet of Ministers of Ukraine instead of the ministers. It has entailed a duplication of functions of the minister and the state secretary on the background of absence of political deputies at the minister.

Secondly, the balance of powers between the ministers and the state secretaries was broken. The function of the top-manager of process of development and realization of policy was not performed by the state secretaries. Besides, as the state secretaries were nominated by the President of Ukraine, the ministers had not enough levers of influence on the state secretaries, there were conflicts between them.

And thirdly, the state secretaries were nominated without competition, the clear requirements to the persons applying for these positions were not determined. Such approach meant in practice a simple moving of the persons from positions of the deputy ministers, which were liquidated, to the positions of the state secretaries of the ministries and their assistants. The unclear definition of a role of the state secretary meant that this position had considerable administrative powers and limited role of the manager of process of development of policy which is typical for democratic countries.

As a result the chosen way of realization of the reform has been carried out without separation of political and administrative functions and made impossible to achieve the purpose of this reform.

2. STRENGTHENING OF THE INSTITUTIONAL CAPACITY OF MDCSU TO IMPLEMENT THE UNIFIED STATE POLICIES IN THE CIVIL SERVICE AREA AND MANAGEMENT OF PERSONNEL IN CIVIL SERVICE

The basic results of realization of the second priority is the introduction of Twinning, as a tool of institutional development and exchange of experience between the civil servants of Ukraine and EU member states, institutional capacity building for implementation of unified state policies in sphere of civil service and its functional management at a territorial level, research of the existing HR management and professional training of civil servants, and implementation of system of electronic document circulation in MDCSU.

1. Implementation of the Twinning instrument in Ukraine

In October of 2005 the President of Ukraine extended the power of functional management of the civil service by entrusting to MDCSU realization of the Twinning program.

Twinning is a joint instrument of administrative cooperation between the EU member and a partner state (a candidate or neighboring country) to introduce elements of public administration necessary for adaptation of the national legislation to acquis.

Twinning supports institutional reforms in the public administration in candidate countries and creates a basis for implementation of the European neighborhood policies in other countries that belong to sphere of interests of EU.

The Twinning projects are realized through the system of the civil service through cooperation of two similar bodies of the state power.

The Twinning projects are financed by European Commissions and realized according to its procedures and rules.

Each Twinning project should be directed at solution of a specific problem and should be completed with the mandatory results, for which achievement the chiefs of the project leaders — civil servants of high rank from the EU member state and country — partner bear responsibility.

Average duration of one project is 1 year, and the budget makes 1 M Euro.

Up to the end of 2005 the realization of the Twinning projects in Ukraine is carried out through TACIS National

Action Program. The European Commission granted 22 M Euro to Twinning projects for the period of realization of EU technical assistance up to the end of 2006.

The spheres of cooperation for Ukraine are determined by priorities of the Partnership Agreement between Ukraine and European Union and by the EU—Ukraine Action Plan.

The Sixth World Forum on Reforming the Government

From 23 to 27 of May 2005, the Sixth World Forum on Reforming the Government was held in Seoul, South Korea. About 5 thousand representatives from 140 countries — UN members, including 9 leaders of the states took part in the forum.

Ukraine was represented by a delegation led by the Head of Main Department of the Civil Service of Ukraine. The program of the forum included 6 plenary sessions and 9 round tables, opening and closing ceremony of the forum. The Ukrainian delegation has taken part in 4 plenary sessions on problems of governmental, political and corporate management.

The Head of MDCSU delivered a speech during the second plenary session on Democratic Government and social integration with the ten-minute report named «Administrative reform as a tool of democratization of the public administration in Ukraine».

The active contacts with the representatives of departments of the different countries on public administration were supported in a course of seminars, discussions and other activities. The Head of the Ukrainian delegation has taken part in a round table at participation of the ministers on the public administration and civil service, where the issues of global tendencies in reforming public administration were discussed. Also the separate meeting with the Minister of the governmental administration and civil service of Korea was organized. The Head of MDCSU also has taken part in the official dinner in honor of the President of Korea.

The draft of the Seoul declaration was discussed and signed, further this declaration was accepted by results of the Forum at the closing ceremony.

Polish experience for Ukraine

A visit of civil servants led by the Head of MDSCSU to the Republic of Poland with the purpose of an exchange of experience was held from 11 to 15 July.

During the visit there were meetings in the Office of the Civil Service of Poland, Offices of the President and Prime Minister of the country, also in Sejm of the Republic of Poland, Ministry of Internal Affairs and administration, at the Government of Mazowsze Voivodeship.

The visit of the Ukrainian delegation started from the signing of the agreement about cooperation between the Office of civil service of Poland and Main Department of the Civil Service of Ukraine. During the event the Minister of Foreign Affairs of Republic of Poland and the Ambassador of Ukraine at Poland were present.

«We are happy that the ideals of democratic Europe are close to our Ukrainian friends,» — the Head of the Civil service of Poland Jan Pastwa has noted in the introductory speech. — «We focus our efforts to support and assistance, also we shall be glad in turn to adopt a positive experience of the Ukrainian party ». The Head of MDSCSU in his speech has noticed: «We are convinced that Polish experience is especially important for us. Our way to Europe goes through Poland. We hope that the performance of the agreement will allow carrying out all things that the Ukrainian and Polish peoples expect from the civil servants».

Currently project fiches are prepared to announce a tender in April for performance of the 4 first projects in the following spheres:

- Anti-monopoly and support of competition (Anti-monopoly Committee);
- Civil Aircraft (State Air Service);
- Norms and Standards of technical regulation (State Standards of Consumption);
- Regulation of Energy Market (NCRE).

The preparatory activities for next 6 projects are conducted. The Decree of the President of Ukraine on the Issue of Support of implementation of the program of Twinning No1424 of October 6, 2005 authorizes the MDSCSU to direct and to coordinate the implementation of Twinning in Ukraine, in particular by appointment and dismissal of the Director of the Program Administrative Office of Twinning and determination of his (her) powers.

The Program Administrative office of Twinning is formed. The cooperation with the National Coordinator of the technical assistance of EU is arranged. Contact points responsible for preparation and realization of the Twinning projects are nominated in all central bodies of the executive power.

The following priority directions of cooperation of the parties were determined in the agreement:

- Development of the legislation, regulating the public relations in sphere of the civil service;
- Separation of political and administrative positions in the public administration;
- Professional development of the top executives of the civil service;
- Increase of efficiency and productivity of the public administration, in particular, through implementation of model of quality management in bodies of state power;
- Professional training of the civil servants.

The parties have recognized the Twinning as the priority instrument of cooperation and have noted necessity of expansion of opportunities of its application.

The results stemming from the visit of MDSCSU identified more work needed to adapt Polish «Friendly administration» for Ukraine. 10 high rank civil servants of Ukraine have had an opportunity to take part in the strategic trainings for the directors general, which have passed in September and November in 2005. These trainings were devoted to the issue of strategic management in sphere of state of management and were organized jointly with university Warminko-Mazurski in Olsztyn (Poland) and university of Minnesota (USA).

The trip became possible due to the project «Study Tour to Poland 2005 — training for the civil servants and representatives of local self-governments of Ukraine».

2. Activity of territorial administrations of the civil service of MDSCSU

The HR divisions of the civil service of MDSCSU in the Autonomous Republic of the Crimea, oblasts, and cities of Kiev and Sevastopol were formed, staffed, and lunched their activity.

During the year 2005 the HR divisions provided methodical and advisory support to local bodies of the executive power and bodies of local self-government in the civil service and service in bodies of local self-government. They arranged seminars, training, inspections on these problem, have prepared and have issued 82 methodical digests.

In December 2005 the methodical and advisory support was provided to 122 oblast administrations and 196 structural divisions of oblast administrations. The similar assistance during the same period was provided to 143 bodies of local self-government.

During one year the territorial divisions proceeded and considered 1054 letters from legal entities and individuals, provided 3131 personal consultations and comments. The

cooperation with local mass media was established: 259 articles, commentaries, interviews were published, 60 interviews on radio and 72 on TV were broadcasted.

With the purpose of increase of the administration efficiency the HR divisions started pilot projects on IT support to the accounting of the civil servants and officials of local self-governments in local bodies of the executive power and bodies of local self-government, divisions of the civil service MDSCSU in the Volynsk, Dnipropetrovsk, Transcarpatia, Ivano-Frankivsk, Kirovograd, Lviv and Sumy regions.

For today 16 heads of territorial administrations are included in boards of regional public administrations and 24 are included in councils on activity with the staff.

3. Research of the system of the HR management in the civil service

With the purpose of researching the status, role, and functions of HR management unit (HR services) of bodies of the executive power, and planning of reforms in this sphere, MDSCSU together with World bank carried out the following study.

In a course of research the personnel interviewed about 600 managers and other employees of HR services of bodies of the executive power. Key problems of the HR system in bodies of the executive power of Ukraine were identified and the proposals concerning its improvement were made for the following directions:

- Strategy of the human resources management in the public sector;
- Selection of personnel on the civil servants positions;
- System of civil service pay;
- Administrative functions of the HR services;
- Special training for the employees of HR services.

It was for the first time in the newest history of Ukraine that the solemn ceremony of taking an oath of the civil servant by four new employees of MDSCSU was held on October 11, 2005.

Young people — Alexandr Dziuba, Inna Issachenko, Irina Us and Yuriy Churpita have sworn to serve faithfully to the people of Ukraine, strictly observe the Constitution and laws of Ukraine, to protect the rights, freedoms and lawful interests of the citizens, to bear a high status of the civil servant with dignity, to carry out reliably the duties.

According to the requirements of the Law of Ukraine on the civil service the new civil servants have signed the text of the oath, then the Head of MDSCSU has handed them the cards of employees of the Main Department of the Civil Service of Ukraine.

78 % of the interviewed managers and other employees of HR services have expressed support to the actions of MDSCSU in reforming of system of the civil service in Ukraine.

4. Implementation of electronic system of document circulation in MDSCSU

In 2005 the modern automated system of document circulation was introduced in MDSCSU which provides possibilities of processing incoming and outgoing working correspondence, letters of the citizens, control of terms of performance of the documents entered to the database, accounting and generalization of results of the control, formation of the different statistical reports on issues of executive discipline. The system allows receiving a reminder about deadline of performance, report on the outstanding documents and documents executed with infringement of deadline, other statistical reports and information connected to document circulation.

The realized technical solutions provide an opportunity of integration of the mentioned system with electronic system of the Secretariat of the Cabinet of Ministers of Ukraine. The Special Information Telecommunication System can serve as the informational telecommunication environment for such integration, with communication terminal arranged in MDSCSU in the beginning of 2005.

The introduction of the automated system of electronic document circulation will allow to speed up the process of making decisions, will guarantee a transparency of processes of document circulation, create the preconditions for transforming of document circulation on the electronic basis, raise discipline of execution of the documents, and raise considerably the quality of activity in the central the apparatus of MDSCSU.

The Head of MDSCSU has addressed to present with the congratulatory speech and he has emphasized the high responsibility for destiny of the country which each citizen incurs by joining the civil service, also he has wished to the new employees the inspiration at completion of their high mission.

The draft of new Civil Service Law foresees that taking oath by the civil servant in public should become the norm. The initiative of MDSCSU is called already today to approve this rule of the draft law in real life.

As one of «new recruits» has noted, such solemn taking of the oath increases responsibility and induces to carefulness in performance of duties.

3. INCREASE OF THE MATERIAL AND SOCIAL STATUS OF CIVIL SERVANTS

The increase of the material and social status of the civil servant connected with the approval of the respective regulation of the Cabinet of Ministers of Ukraine became the basic result of realization of the third priority.

1. Increase of salaries of civil servants

On the basis of the previous research MDCSU made proposals to the Cabinet of Ministers of Ukraine, Ministry of the Finance of Ukraine and Ministry of Labor and Social Policy of Ukraine, which were taken partially into account at preparation of the draft decree of the Cabinet of Ministers of Ukraine on the Regulation of Structure and Conditions of Pay of the Employees of the apparatus of Bodies of the Executive Power, Prosecutor's Office, Courts and other Bodies, which replaces the similar decree of the Cabinet of Ministers of Ukraine of December 13, 1999, No. 2288.

Tables below show how the amount of basic pay, in particular, of executives and specialists of the central the apparatus of the ministries (Table 1) and regional public administrations (Table 2) has changed since January 1 of 2006.

There were applied some approaches which were asserted persistently by MDCSU. First of all, it relates to the cancellation or reduction of groundless additions, supplements and bonuses, reducing differences among various ministries and government bodies and increasing the share of basic pay in the total salary.

In particular, the supplement for special conditions of the civil service career and intensity in job, and supplement for the executives and specialists of the central the apparatus of the Ministry of Justice of Ukraine, which are engaged in drafting, are cancelled. Instead, the supplement for good performance of work or for performance of especially important job is established, in particular, for executives and specialists, which are directly engaged in development of the drafts of normative and legal regulations and perform special arrangements for those drafts.

The amount of specific supplements, in particular, for a scientific degree and supplement for a honorable rank are decreased that is also can be assessed as a unconditional positive movement to the European standards.

As the decree should come into force on January 1 2006 within the limits of payroll fund established by the

Table 1

Position title	Monthly basic pay, Hryvnia	
	From January 1 of 2006	Before January 1 of 2006
Director of department	2000—2140	290—300
Head of independent administration	1800—1900	230—250
Head of independent division	1700—1800	230—250
Head of division in the department structure, independent administration	1500—1600	195—220
Head of independent sector	1350—1400	185—210
Main specialist, consultant, adviser	1100—1150	160—180
Leading specialist	875—900	133—155
Specialist of I category	775—800	120—135

Table 2

Position title	Monthly basic pay, Hryvnia	
	From January 1 of 2006	Before January 1 of 2006
Deputy Head of the apparatus of state administration	1700	210—230
Head of independent administration, unit	850—950	170—210
Head of division in the department structure	685—710	150—165
Head of independent sector	615—640	145—155
Assistant to the Head of the state administration, adviser, consultant	585—610	140—150
Main specialist, assistant to the deputy head	575—600	130—150
Leading specialist	495—520	120—130
Specialist of I category	455—480	120—130
Specialist of II category	435	100—110
Specialist	400	90—100

Law of Ukraine on the State Budget for 2006, the basic pay in the structure of total salary will increase from 25—30 % up to 80—90 %, following the practice in the majority of EU member states.

The most important consequence of these measures is the reduction of dependence of the amount of the salary of the civil servants on subjectivity of their top executives, strengthening of legal and social protection of the civil servants. Now they have the guaranteed salary, which can not be reduced under the decision of the chief, for example, in case of disciplinary sanction.

2. Research of classification of positions and system of pay of civil servants

With the purpose of development and introduction of the standards compliant with the EU legislation in the civil service, which, in combination with positive changes in other spheres, would provide for more transparent and objective system of pay of civil servants MDCSU invited a British expert at the expense of funds granted by the Government of the Netherlands for the following:

- evaluation of existing classification of positions of the civil servants;
- check of connection between classification of positions and levels of pay;
- research of available practice of annual performance appraisal;
- recommendations on new classification of positions and steps for creation of transparent and unified system of pay, basic pay schedule, which would guarantee equality based on assessment position value, establish effective link between individual activity and pay;
- guidelines for structuring job descriptions and value of positions and their rank correlation.

According to the results of research the following basic problems of existing system were marked.

■ The allocation of positions by categories stipulated by the Civil Service Law in the of 1993 does not extend to new positions as a result of institutional changes. In connection with this problem there is no appropriate methodology for classification of such positions, except the general norms of the Law. As a result more than 1500 separately determined positions of the civil servants exist at present. These positions are not always described in the format, stipulated by the normative documents, and often have the unmatched title; their status sometimes can be artificially overestimated.

■ The existing definitions of categories of positions are simple but these categories are indistinctly demarcated even by the basic types of positions, such as the top management, high rank management, middle management and

specialists. Attempts to classify new positions are usually guided by aspiration to establish a higher salary therefore rank is taken into consideration. The appropriate methodology for the solution of such issues is also absent.

■ The categories of positions have wide borders and basically differentiate the same positions according to different levels of state bodies. On this basis the same positions by the contents of work can appear in different categories depending on the level of body or the same category can include different levels of positions only because they belong to bodies of the same level. The reference of administrative and executive of positions to one category demonstrates a difference between the central and local bodies of state power, as at the central level there are no positions of lower than fourth category whereas on the regional level certain managing positions belong to the fifth category.

Thus, existing classification does not provide appropriate bases for effective ranking of positions in connection with pay. There are no appropriate mechanisms and procedures of definition of pay for new positions.

The social and material status of the civil servants remains an acute problem. Basic pay of the overwhelming majority of the civil servants are below established cost of living².

The system of pay has number of internal disadvantages, the main of which lie in the following:

- Small differences in pay between different levels of positions;
- imbalance between the amount of the basic pay and cumulative salary;
- Absence of monitoring and control after the establishment of surcharges and supplements;
- Instability and fluctuations of the amounts of bonuses;
- Limitations of opportunities for increase of salaries depending on results of job and career growth.

3. Privileged financing of purchasing or construction of housing

To implement clause 36 of the Civil Service Law and the Decree of the Cabinet of Ministers of Ukraine of February 18, 2004 No 182, which approved the Order of granting to the civil servant which need the improvement of housing conditions interest-free mortgage for construction of housing or purchase of apartments or individual apartment houses, MDCSU submitted the proposal to the Cabinet of Ministers of Ukraine and Ministry of the Finance of Ukraine for allocation in the budget of 2006 50 M Hryvnia for reimbursement of interest rate on mortgage. The proposals were not supported.

² As of December 31, 2005

4. PREVENTION OF INCIDENCES OF CORRUPTION IN CIVIL SERVICE

As statistical report on execution of the Law of Ukraine on the Combating Corruption shows, during 2005 6,111 reports on corruption (in 2004 – 4,411) were submitted to courts. 5,260 of them were considered by courts and decisions were made (in 2004 — 3951).

In total during 2005 4,844 (in 2004 — 3883) officials were brought to administrative responsibility, of which 2106 civil servants and 1,095 officials of local self-government. The largest share belongs to Odessa, Kharkiv, Dnepropetrovsk, Donetsk and Zaporizhya oblasts. The majority of offence were related to granting of illegal privileges and advantages, submission of doubtful information, distribution of fictitious information, engagement in enterprise activity, extra job, and illegal obtaining of the material help, bonuses, etc.

1. Improvement of the legislation on prevention and counteraction of corruption

MDCSU together with the Ministry of Justice of Ukraine have developed the draft law of Ukraine on the Code of Behavior of Persons Authorized on Performance of State Functions, which will become the important component of the legislation about prevention and counteraction of corruption.

2. Compliance with civil service legislation and combating the corruption

According to the plan, 77 (compared to 44 in 2004) investigations on compliance with legislation on civil service and prevention of incidences of corruption in bodies of the executive power and local self-government upon applications of the citizens, members of Parliament of Ukraine and under instructions of the Cabinet of Ministers of Ukraine.

The information mentioned in claims has proved to be true by investigation in almost a half of cases; in 24 % of all applications the information has been proved to be true partially; in 29 % of cases the information has not been proved to be true. By results of 12 checks the infringements of the Law of Ukraine on the Combating Corruption were revealed, about what the law-enforcement bodies were informed.

According to the instructions of the Head of Secretariat of the President of Ukraine and the Minister of the Cabinet of the Ministers of Ukraine, during 2005 MDGSU carried out 504 checks of the information, which was submitted by heads of Rayon administrations, also by members of the Council of Ministers of the Autonomous Republic of Crimea appointed in 2005 (in 2004 there were performed only 4 similar checks).

3. Training and methodical support of civil servants in preventing of incidences of corruption

One of measures on prevention of incidences of corruption is increase of the level of education of the civil servants to understand legislation.

For this purpose during 2005 the employees of MDGSU of Ukraine took part in 17 short-term seminars, listened to 34 hours of lectures on questions of the civil service and prevention of incidences of corruption among the civil servants at the Centre of Retraining and Improvement of Professional Skills of the Employees of Justice of the Ministry of Justice of Ukraine, Accounting Chamber of Ukraine, Kiev Regional Public administration.

2 complex checks were carried out (in 2004 — 3 checks) on observance of the requirements of the laws of Ukraine in the civil service, on the combat with corruption, and other normative and legal regulations: at the Ministry of Education and Science of Ukraine and in bodies of the executive power and local self-government of the Chernigiv region.

During one year 305 civil servants from the central and local bodies of executive power, bodies of local self-government, which are responsible for organization of job on prevention of evidence of corruption have passed trainings on improvement of professional skills (in 2004 72 persons passed such training only), of which 164 persons were on positions of I—IV categories, and 141 persons were on positions of V—VII of categories (in 2004 there were 26 persons and 46 persons accordingly).

MDGSU together with the National Academy of Internal Affairs of Ukraine developed the Methodical recommendations for state bodies and bodies of local self-government on counteraction of corruption and Methodical recommendations for establishments and persons authorized to develop the documents of a nation-wide level on regulation of power authorizations, in view of potential danger of abusive use of these powers.

5. IMPROVEMENT OF ACTIVITY OF THE APPARATUS OF THE CENTRAL AND LOCAL BODIES OF THE EXECUTIVE POWER

There for four key results of the realization of the fifth priority of activity.

1. Certification of the quality management system of MDCSU according to ISO 9001-2001

MDCSU was the first Ukrainian body of the state power that implemented the European quality management system. The development and introduction of the quality system in conformity with the requirements of ISO 9001-2001³ in MDCSU was carried out during 2005 with involvement of organizations of the Ukrainian Association of Quality. During this period all necessary steps on establishing of the quality control system were carried out:

- Categories of MDCSU services, their consumers were determined, the criteria of quality are established for services and attribute of inappropriate services;
- The process-based management is implemented by MDCSU, process algorithms were approved and implemented;
- The personnel of MDCSU was trained and the system of regular internal training is introduced;
- The certification audit was carried out.

The basic conclusion by results of certification audit in MDCSU was that the quality management system of MDCSU meets the requirements of ISO 9001-2001, that is confirmed by respective certificate.

The order of application of the quality management standard in bodies of the executive power is developed and the proposal to the Cabinet of Ministers of Ukraine concerning the establishment of quality management systems in all bodies of the executive power was made. The proposal was supported; MDCSU develops the draft of the respective decree of the Cabinet of Ministers of Ukraine.

2. The draft of the Typical Rules of Procedure of the Central Bodies of Executive Power

With purpose of modernization and improvement of activity of ministries and other central bodies of the executive power in 2005 MDCSU developed and coordinated

the draft Decree of the Cabinet of Ministers of Ukraine on Approval of the Typical Rules of Procedure of the Central body of the Executive Power.

Adoption of this act will allow making procedures of activity of the central bodies of the executive power unified, transparent and clear to everyone.

3. Functional reviews of bodies of executive power

With purpose of introduction of functional reviews as constant process of monitoring of conformity of their structure and functions to the changing needs of the society, MDCSU carried out the following basic measures:

- The Procedure of functional reviews of bodies of executive power (order of MDCSU of July 29, 2005 No 189, registered at the Ministry of Justice of Ukraine of August 17, 2005 with No 901/11181) was developed;
- The pilot functional reviews of the Ministry of Economy of Ukraine and Ministry of Transport and Communication of Ukraine has started.



³ International Standard Organization

Sample typology of the objectives, tasks and functions of the ministry

Mission – objectives of the ministry	The task — what the ministry does for achievement of the purposes determined in mission	Functions — how the ministry carries out the tasks, fixed on it, which powers it has
General (common for all ministries)		
	1. Realization of state policy	<ul style="list-style-type: none"> ■ Development and submission of policy proposals ■ Development of the draft legislative acts ■ Development and realization of the state programs
	2. Realization of right and freedom of citizens	<ul style="list-style-type: none"> ■ Realization of the rights and freedom of the citizens on the specific types of activity ■ Meeting of needs of the citizens in specific spheres ■ Protection of the rights and lawful interests of legal entities ■ Creations of conditions for realization of the rights, freedoms and lawful interests of the citizens in specific sphere ■ Attraction of a public, professional associations, unions and other associations of citizens, legal entities in specific sphere
	3. State administration	<ul style="list-style-type: none"> ■ Managements of state property and objects of state property ■ State regulation of activity in the specific sphere ■ The control and supervision of observance of the legislation ■ Development, approval and control of observance of standards
	4. Administrative services provision	<ul style="list-style-type: none"> ■ Granting of licenses ■ Licensing of specific types of activity ■ Issuing of administrative certificates ■ Approval of appointments and dismissals of the officials ■ Approval of drafts of legal documents ■ Consideration of claims and proposals
	5. Coordination	<ul style="list-style-type: none"> ■ Directions and coordination of activity of governmental bodies and public administrations, which are included into structure of the ministry, its territorial bodies, establishments and organizations, which are managed by the ministry ■ Coordination of activity of other bodies of executive power of the competence of the ministry
	6. International activity	<ul style="list-style-type: none"> ■ Participation in preparation of the international contracts and their performance ■ Making the international contracts ■ Participation in realization of the international programs ■ Cooperation with foreign bodies of public administration, establishments and organizations in specific sphere
Special		

4. SIGMA⁴/OECD baselines assessment of public administration

In response to the initiative of MDGSU, Measures on Performance in 2005 of the EU — Ukraine Action Plan, the Decree of the Cabinet of Ministers of Ukraine No. 117-r of April 22, 2005 appointed MDGSU as the responsible for assessment of public administration against SIGMA baselines.

MDGSU, since February of 2005, conducted consultations with the European Commission, Secretary of

⁴ Support to Improvement in Governance and Management in Central and Eastern European Countries

Organization of Economic Cooperation and development (OECD⁵) and managers of the SIGMA program.

The European Commission has supported the assessment. Swedish agency of International Development (SIDA⁶) and UK Department for International Development (DfID⁷) agreed to consult the Project.

MDGSU initiated the baselines assessment. The President of Ukraine has supported this initiative, having issued on October 24, 2005 the appropriate

⁵ Organization for Economic Co-operation and Development

⁶ Swedish International Development Agency

⁷ UK Department for International Development

SIGMA is the general initiative of Organization of Economic Cooperation and Development (OECD) and European Union, which is financed by the European Commission and (OECD). In 1999 SIGMA has developed baseline for evaluation of six basic spheres of public administration, following rules, instructions, and best practices of the European Union.

Within the framework of this program during 12 years the strategy of administrative reform in 25 countries of the European Union are realized. By results of the assessment, which for the countries — candidates for membership in EU is performed annually, SIGMA provides with the expert opinion and recommendations of the European Commission and countries — beneficiaries concerning conformity of their systems of public administration to the requirements necessary for membership in EU.

The six basic spheres of public administration, which are evaluated according to these parameters, are as follows: the civil service, external audit, financial control, budget expenditure, policy planning and coordination and public procurement.

The sphere of the civil service is evaluated according to the following criteria: the legal status of the civil servants, responsibility and accountability, impartiality and objectivity of the civil servants, efficiency of the system of administration of the civil service and HR management, professionalism and sustainability of the civil service, civil service capacity in sphere of the European integration.

The evaluation of the sphere of external audit depends on availability of effective and independent audit establishment with the powers, determined according to the law, sufficient budget and personnel support, observance of the standards of INTOSAI⁸, sufficient functional powers, effective mechanisms of reporting to the parliament, instruments for reforming and improvement.

order. According to the order, the Cabinet of Ministers of Ukraine should ensure assessment of public administration against SIGMA baselines and develop of urgent measures on realization of administrative reform.

With the purpose of coordination of efforts during assessment, the constituent meeting was held for preparation to the assessment with participation of executives and experts from SIGMA, executives of state bodies of

The budget expenditure assessment is aimed to determine and evaluate principles of budget legislation: definition of public funds, legality of expenditures, mutual relation between legislative and executive branches of power, rule and procedure of the interdepartmental fiscal relations, definition of status of budget establishments, enterprises and establishments of different levels, status of off-budget funds (if any), presence of stabilization programs, existence of the efficient and formalized budget process, monitoring, control and reporting, mechanisms of improvement of budget system.

Institutional mechanisms of sphere of the financial control can be different; however it is necessary to have the sufficient legislative base, procedure of control, in particular, over the budget expenditures, and system, which permit to react to infringement. The evaluation includes indicators of productivity, efficiency and quality, which are examined during the financial control.

The control system of public procurement is assessed by criteria of open competition, effective utilization of the public funds, stimulation of development of private sector, prevention of corruption.

In sphere of policy coordination and planning the ability of Government is assessed to develop effective and consistent state policy, determine sufficient budget support, mechanisms of its realization, effective interaction with EU organizations. There should be effective mechanisms of policy advice and coordination to the Cabinet of Ministers of Ukraine, mechanisms of resolution of conflicts. It is necessary to have ability to plan state policies on short, middle- and long-term period, clearly determine aims, priorities and mechanisms of realization of policies. For this purpose the effective apparatus of Government and ministries, which carry out developments and coordination of policies, would be necessary. According to these criteria the system of development and coordination of policies is evaluated.

Ukraine, representatives of the European Commission, World bank, SIDA. Agreement was reached to sign the Memorandum of Understanding between the Government of Ukraine, Delegation of European Commission in Ukraine, Secretariat of Organization of Economic Cooperation and Development, Swedish Agency of the International Development and Ministry of the International Development of UK on assessment of six areas of public administration against SIGMA baselines and to form the Coordination Council for assessment with participations of the representatives of all stakeholders.

⁸ The International Organization of Supreme Audit Institutions

6. DEVELOPMENT OF PROFESSIONAL CAPACITY, IN PARTICULAR, THE TOP EXECUTIVES OF CIVIL SERVICE

The present system of professional training of the civil servants is a powerful mechanism for attaining by civil servants of academic education with strong theoretical and methodological bases. Along with it, it is necessary to acquire practical skills, in particular, in policy analysis, strategic planning, and design management, management of change, work planning, drafting, and preparation of the documents and so on.

In our opinion, there is especially acute problem of professional training for the civil servants who carry out administrative functions. Such persons require special intensive training in public administration. This idea was supported during interviews with representatives of HR units of bodies of the executive power, which consider, that the available system of professional training of executives requires significant improvement according to the standards of EU.

1. Training for Master Degree in Civil Service in the educational field of Public Administration

In 2005 MDGSU selected ten higher educational institutions for training for Master Degrees in Civil Service in the educational field of Public Administration: the Kiev National Economic University, Dnepropetrovsk National University, Donetsk National Technical University, Ivano-

Frankovsk National Technical University of Petroleum and Gas, Odessa National Legal Academy, Eastern Ukraine National Volodymyr Dal University, Ternopil State Economic University, Kharkov National Economic University, Nikolaev State Humanitarian Petro Mohyla University, Chernigiv State Technological University.

In 2005, as well as in 2004, 900 students enrolled for training to obtain the Master Degree (170 — for day time and 730 — for distance learning). In 2006 it is planned to enroll 1100 persons, of them: 200 — for day time and 900 — for distance learning. The number of students for the beginning of 2006/2007 academic years will make 1830 persons (200 — for day time and 1630 — for distance learning). For the beginning of 2005/2006 academic years the general number of the students were 1595 persons.

2. Pilot policy excellence groups in the Secretariat of the President of Ukraine, the Secretariat of the Cabinet of Ministers of Ukraine and central bodies of the executive power

In 2005 pilot project was launched to introduce policy excellence groups in central executive bodies.

Policy excellence groups are temporary working groups of the civil servants of II-III category, which work with the specific problem, requiring the urgent solution, with involvement to this process of other stakeholders. The public document will be the obligatory result of activity of each working group.

There were selected 10 pilot institutions, where groups working in specific sphere will analyze the following issues:

- **Secretariat of the President of Ukraine**
— strategy of democratic development of Ukraine and institutionalization of means of public policies in work of the central bodies of public administration.
- **Secretariat of the Cabinet of Ministers of Ukraine**
— democratization of process of making of the decisions, also methodical materials on observance of the European requirements to democratic procedures of making of the governmental decisions.
- **National commission of regulation of electric power industry of Ukraine**
— policies of regulation of the domestic market of electric power.

- **National Space Agency of Ukraine**
— Policies of institutional development of national space industry.
- **Ministry of the Finance of Ukraine**
— state fiscal and tax policies.
- **Ministry of Transport and Communication of Ukraine**
— state policies on integration of Ukraine to trans-European transport networks.
- **State service of Ukraine of Supervision over the Safety of Aircraft**
— policies of implementation of aircraft requirements mutual for Ukraine and EU.
- **Anti-monopoly Committee of Ukraine**
— policies of liberalization of the domestic market and strengthening of a competition on it.
- **Ministry of Economy of Ukraine**
— policies of preparation of the state budget as strategy of economic development of the country.
- **State Committee of Ukraine on Technical Regulation and Consumer Policies**
— policies of adaptation of the domestic legislation on standardization to the European requirements.

The beneficiary is the Centre for Support of Civil Service Institutional Development, with the International Center for Policy Studies as a project implementing agency.

The purpose of the project is to develop professional capacity of civil servants at application of public policy tools during preparation of governmental decisions in the specific spheres of public administration according to the European standards.

The project provides for creation of 10 policy excellence groups comprising 8 civil servants of II—III categories each directed at following:

- Strengthening capacity to develop strategy, analyze risks and forecasts consequences;
- Introduction of new methods of skills development (training) of civil servants;
- Acquiring of policy analysis skills by the civil servants
- Development of policy analysis documents in a format of white papers in certain sectors of public administration;
- Increase of public awareness and engagement in the policy process.

The main project outputs:

- Public policy documents in a format of green and white papers;
- Methodical and instructive materials concerning introduction of democratic procedures of the governmental decisions;
- Consultancies with stakeholders;
- Training skills of the civil servants of high rank to prepare the drafts of the governmental decisions according to principles and procedures of public policies.

3. Polish — French — Ukrainian Training Project

Within the framework of realization of the Agreement between the Main Department of the Civil Service of Ukraine and Head of the Civil Service of Republic Poland 8 Polish-French trainings were held for the civil servants on open competitive recruitment to the civil service one year.

The purpose of trainings was the acquaintance of the civil servants with the approaches of competitive selection of personnel in the system of the civil service based on principles of a political neutrality and professionalism.

Trainings were attended by 122 managers and employees of personnel services of the Secretariat of the President of Ukraine and Secretariat of the Cabinet of Ministers of Ukraine, ministries and other central bodies of the executive power, heads of administration of civil service of MDCSU, employees of the central apparatus of MDCSU.

Polish — French — Ukrainian Training Project is one of the initiatives of MDCSU, directed on strengthening of practical training component at increasing of the professional capacity of the civil servants.

4. Research of professional training of civil servants

With purpose of research of professional training of the civil servants and for planning of reforms in this sphere, MDCSU together with World bank carried out the respective research.

Stemming from the results the number of problem areas and necessary steps in reforming of the system of professional training of the civil servants were identified:

- Improvement of process of formation of professional skill;
- Introduction of procedure of the analysis and definition of skills necessary for performance of services and duties, also for successful management of change;
- Introduction of special training for the civil servants on policy analysis, strategic planning, change management;
- Formation of training centre under auspices of MDCSU, introduction of pilot training courses, training of trainers and formation of the network of training centers on the basis of the regional centers of professional training of the civil servants and officials of local self-management;
- Improvements of legislative base, which regulates management of professional training of the civil servants.

The results of this research as well as results of research of HR management in the civil service were discussed at the international conference, in which 200 representatives of stakeholders, involved in the process of functioning and reforming of the HR in the civil service took part; these results were also taken into consideration in the recommendations concerning reforming of the civil service and in definition of priorities of MDCSU in 2006.

With the purpose of preparation of proposals concerning the further development of the system of professional training of the civil servants and officials of local self-government, MDCSU developed the draft resolution of the President of Ukraine on creation of the appropriate working group. The draft resolution is approved by the Cabinet of Ministers of Ukraine and submitted on December 16 of 2005 to the President of Ukraine.

PRIORITIES OF ACTIVITY OF MDCSU IN 2006⁹

- 1. Support in adoption of the Civil Service Law and development of draft regulations necessary for its implementation.**
- 2. Strengthening the institutional capacity in HR management on principles of legality, competence and professionalism by means of:**
 - Identification of competencies for the key groups of civil service positions;
 - Modification of performance appraisal of the civil servants by requiring to improve knowledge and skills of the civil servants according to specific key competencies;
 - Increase of an overall performance of HR services of bodies of executive power of all levels through introduction of the automated system of processing information on civil servants of I—VII categories;
 - Training of HR managers of bodies of the executive power on modern methods of personnel management.
- 3. Improvement of the material and social status of the civil servants.**
- 4. Introduction of training component in education of the civil servants:**
 - Specification of the mechanism of civil servants' training needs study;
 - Improvement of the system of allocation of the state order for preparation of the civil servants in graduate courses of higher educational institutions in educational field of Civil Service;
 - Development of pilot package of key training courses;
 - Introduction of in-service trainings of civil servants oriented at practical skills.
- 5. Modernization and improvement of apparatus of the ministries and other central bodies of the executive power:**
 - Consultation and methodical support on Typical Rules of Procedure in the Central Bodies of the Executive Power;
 - Implementation of functional reviews as a constant process of monitoring the conformity of structure of bodies of the executive power to their functions and needs of the permanently changing society;
 - Dissemination of experience of MDCSU on implementation of quality management system according to the requirements of ISO 9001-2001.

⁹ Ratified by the Cabinet of Ministers of Ukraine

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Головного управління державної служби України
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