

INITIATIVE FOR A LEAN PUBLIC SERVICE

مبادرة من أجل إدارة رشيقة

INITIATIVE POUR UNE ADMINISTRATION PUBLIQUE SOUPLE

Nasri Antoine DIAB
Lawyer
Professor of Law

Joseph OTAYEK
Healthcare Strategy
& Management Expert

Karim DAHER
Lawyer
Lecturer of Tax Law

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الجمعية اللبنانية لحقوق المكلفين

Association Libanaise pour les Droits et l'Information des Contribuables
The Lebanese Association for Taxpayers Rights

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INTRODUCTION

1- The purpose of this “**Initiative : A Lean Public Service**” is to transform the Lebanese Public Administration (“PA”) from a plethoric, non-performing and budget-consuming administration into a lean, performing and financially sound public administration in which each single Public Servant (“PS”) will be evaluated and put in the most suitable position, where his or her contribution will be the most efficient and useful to the PA users, i.e. the citizens.

2- In this Initiative, proposals are made to reduce bureaucracy, cut costs and invest in workforce reform, the final objective being to “**Better Serve the Citizens**”. The challenge thereafter will be to sustain the process of making these proposals a stable reality, and to make PA and PS accountable for the quality of the services they render to the citizens.

3- The McKinsey Report “Lebanon Economic Vision”, which was launched following Council of Ministers’ decree No.13669/2017, identified (on page 1046) three pillars for ensuring efficient and cost-optimal PA : Productivity; Digitization; Transparency & Trust. And it concluded that Lebanon does not meet the standards in any of them.

This Initiative aims to tackle the first pillar only : **Productivity of the PA.**, i.e. to promote efficient delivery of public goods and services.

4- This Initiative, which strives for a mid/long term PA reform strategy that establishes the priorities and sequencing of the reform actions, is composed of the following major steps :

a) Assess the organizational chart, the job descriptions, the job profiles and the staffing schedule of each PA, define an optimal chart, adopt modified job descriptions and profiles when needed, and develop a new staffing schedule

b) Assess the current PA structure and perform a competency test for each PS, in order to propose to each PS either a training to acquire new competencies adapted to the job or a different position adapted to the organization needs and to the PS competencies. In case the PA to which the PS is affected does not need the competencies of the PS or is already overstaffed, the PS will be assigned to a “**Central Pool of Talents**”, managed by the Ministry of Administrative Reform that will reallocate the PS to a PA that is understaffed or that needs a specific set of competencies. **The Central Pool of Talents will act as a strategic reserve for the Public Administration, and will also be able to provide talents to the private sector, when needed.**

c) Assess the nature and severity of governance vulnerabilities, including corruption and incompetence as well as the macroeconomic implications of such vulnerabilities.

c) Introduce and enhance transparency, reporting and accountability, as well as increase compliance with laws and internal controls through an efficient sanctions regime and an allocation of responsibilities. Ineffective and inefficient PA practices and institutions are often associated with corruption.

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SECTION I - STOP ALL EXTERNAL HIRING OF PUBLIC SERVANTS

1- Since the adoption by Parliament of Law No.46/2017 that provides, in its article 21, that hiring of any form is totally prohibited, ministers hired in total, in complete breach of the law, between 5,000 and 10,000 additional PS, for purely electoral reasons. The parliamentary Finance and Budget Committee required an inquiry and undertook to take action against the ministers that breached the law and against the PS that were unduly hired, but nothing was done. It is worth noting that, pursuant to article 112 of Public Accounting Law (Decree No.14969 dated December 30, 1963), ministers are liable on their personal assets for any excess in credits that were allotted to their Ministry.

2- The law cannot be considered as a point of view, and Article 21 of Law No.46/2017 should be strictly enforced. No hiring/contracting whatsoever of any PS in any PA should be undertaken. If a PA needs to hire additional PS to improve its performance or to provide properly its services, it should hire internally from the Central Pool of Talents and only on the basis of individual merits, regardless of any political affiliation.

SECTION II - AUDIT ALL SECTORS AND LAYERS OF THE PUBLIC ADMINISTRATION

A joint task force, composed of the Ministry of Administrative Reform and of independent HR and technical experts will be put in place and tasked with auditing simultaneously all PA sectors and all PS. The following actions will be taken :

- 1- Evaluation of the organization chart, the staffing, the job profiles and job descriptions of each PA versus the mission, the volume of services and the performance required from each PA.
- 2- Recommendations and development of new PA job profiles based on competencies.

3- Evaluation of each PS in each PA versus the new competencies identified in the new job profiles and job descriptions.

SECTION III - RESULTS OF THE AUDIT

1- Completion of the audit will result in a precise cartography of the PA human resources needs and of the available resources, which will allow the Government to develop and implement a modern and fair PA reform.

2- The PS will be grouped into four categories :

a) The PS who are individually performing and who are needed by their relevant PA are kept in service without any change in their status or position.

b) The PS who are individually performing, who have the capacity to be trained and to evolve and acquire the needed competencies for their job but who are not needed by their relevant PA, are kept in service and transferred to the Central Pool of Talents.

c) The PS who are not individually performing and who do not have the capacity to be trained and to evolve to acquire the needed competencies for their job are kept in service, but affected to jobs at a (lower) level, in line with competencies.

d) The “ghost” PS are immediately terminated with/without indemnities and/or pension.

3- Beforehand, an impact study will be conducted in order to assess the consequences of the transfers of PS to the Central Pool of Talents and to ensure that resources cut will not impact negatively the PA services in the short/mid-term.

4- In implementing the above, all PS will be treated fairly, irrespective of their personal status, religion or affiliation.

SECTION IV - THE CENTRAL POOL OF TALENTS

1- The Central Pool of Talents will act as a strategic reserve for the Public Administration, and will also be able to provide talents to the private sector, when needed.

2- The Central Pool of Talents, which will be managed by the Ministry of Administrative Reform, will receive all the PS mentioned in above Section III-2 b) and c), and those PS will keep all their vested rights.

3- The PS will be trained and specialized according to the needs of different PA sectors.

4- The Central Pool of Talents will be called upon to provide PS to any PA that may need additional resources, either on a permanent or on a temporary basis. It may also help PS to be recruited by the private sector if needed. Thus, the Central Pool of Talents will have a double role :

a) Act as a support to all PA sectors : it will send specialized human resources to support any PA in need, either on a temporary basis or for permanent positions.

b) Act as a placement agency for the private sector : it will encourage and support PS, whose competencies may not be needed in the PA but are needed in the private sector, to find their way to the private sector; the private sector should receive incentives to hire such PS, and the latter's vested rights (indemnities, compensation and alike) should be guaranteed.

SECTION V - COMPLEMENTARITY BETWEEN THIS INITIATIVE AND OTHER REFORM MEASURES

This Initiative should be considered within a whole review of the PA structure and work process, with special attention being given to the following :

1- Fully implementing E-Government, which is one of the main means of reducing bureaucracy, improving services and transparency, and fighting corruption.

2- Stressing on the quality of PA and PS :

a) Conducting permanent assessment of individuals and departmental performances.

b) Comparing between the costs of the services rendered by PA and equivalent services rendered by the private sector.

c) Assuring continuing education and training.

d) Granting financial rewards to performing PS only (and not across the board bonuses).

e) Ensuring that the adequate performance monitoring systems are in place, and holding PS accountable for results.

3- Implementing a better cooperation between PA and private sector, and cross-exchanges of PS and private sector workers whenever needed. *Inter alia* an equal treatment of PS and private sector workers should apply in pension and tax-related issues, and PS should not receive any tax exemption on their treatments, indemnities, pensions, etc.

4- Making savings in public procurements and expenditures, and performing permanent executive's control of public expenditure.

5- Merging departments and functions.

6- Adopting public management efficient sanctions design mechanisms.

7- Establishing and/or strengthen judiciary powers to determine the legality of public spending as well as compliance with fiscal rules and constitutionality of budget cuts, with a focus on unbudgeted expenditures.

8- Fighting corruption in the PA, since pervasive corruption impacts economic performance by weakening the State's functions and affecting drivers of potential and inclusive growth.

9- Designing measures to prevent the private actors from offering bribes or providing services that facilitate concealment of corruption proceeds. In conjunction with the procedures outlined, and in order to ensure good business progress and encourage investments, a FPCA (Facilitating Payment) mechanism should be adopted to legalize increasing costs against quickly expediting governmental transactions with a fair, legal and transparent allocation (noting that this measure had already been implemented for passports issued by the General Security Directorate).

10- Applying E-Government procedures to speed up and simplify transactions and avoid bribery and corruption; as well as adopting blockchain system and technology to reduce the capabilities of cover-up, and evasion and to enhance transparency.

11- Establishing a Code of conduct/ethics in the public sector for both PS and private actors, as regards to the relationship between them.

12- Stressing on SOEs (State-Owned Enterprises) oversight and governance as an integral part of the PA/PS reform with the following major steps :

- a) Supervising and regulating SOEs as if they are privately owned; Establishing a clear separation between ownership, policy-making, and regulatory roles.
- b) Avoiding and removing conflicts of interest.
- c) Avoiding continued political interference.
- d) Enhancing accountability, reporting and information disclosure to representative bodies, such as Parliament, including on matters related to state guarantees related to SOEs commitments.
- e) Ensuring that the adequate performance monitoring systems are in place, and holding SOEs accountable for results.

IN CONCLUSION,

The Lebanese Administration must be at the service of the Lebanese citizens and of the Lebanese companies.

Key performance indicators (KPI) should be identified, mainly on customer's satisfaction, cost and timeliness of each service.

"Good governance" (of PA) recognizes that the quality of governance can impact its effectiveness and efficiency in achieving the contemplated results and should rely on equitable and inclusive measures and policies.

N. A. DIAB

J. OTAYEK

K. DAHER