SRSS & SRSP

Presentation at TUSLO Coordination Meeting, 7 September 2017
Structural Reform Support Service

• Mandate:
  
  • Support the preparation, design and implementation of growth-enhancing reforms
  
  • Direct provision of support and coordination of the support provided by the Commission
  
  • Special assignments: Support for the management of migration in Greece and support for Cyprus settlement
  
  • Focus on implementation and support on the ground - covering all reform stages and challenges
  
  • Focus on country-specific perspective; tailor-made support
**Technical support to Member States**

- **Support provided upon request from the MS**

  - **Economic governance processes**
    - European Semester
    - Union Law
    - EU policy priorities
    - Better use of EU funds

  - **Adjustment programmes**
    - Conditionalities

  - **MS reforms at their own initiative**
    - Other growth-enhancing reforms to achieve sustainable investment, growth and job creation

- **Ownership of the reforms remains with MS**
Support to reforms (not exhaustive)

<table>
<thead>
<tr>
<th>Governance and public administration</th>
<th>Tax revenue and public financial management</th>
<th>Growth and business environment</th>
<th>Labour market, health and social services</th>
<th>Financial sector and access to finance</th>
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</thead>
<tbody>
<tr>
<td>• Governance (processes-structures)</td>
<td>• Revenue collection</td>
<td>• Investment licensing</td>
<td>• Labour market and laws</td>
<td>• Access to finance, microfinance</td>
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<td>• Central and local administration</td>
<td>• Budget preparation</td>
<td>• Competition policy</td>
<td>• Strategies to mitigate unemployment</td>
<td>• CMU</td>
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<td>• e-Government</td>
<td>• Spending reviews</td>
<td>• Trade issues</td>
<td>• Labour inspectorates</td>
<td>• NPLs, including insolvency</td>
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<td>• HR reform</td>
<td>• Fiscal strategy and tax policy</td>
<td>• Digital society</td>
<td>• Welfare system</td>
<td>• Venture capital</td>
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<td>• Better regulation</td>
<td>• Supreme audit institutions/Fiscal Council</td>
<td>• Land registry</td>
<td>• Pension system</td>
<td>• Insurance</td>
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<td>• Anti-corruption and anti-fraud activities</td>
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<td>• Energy Union</td>
<td>• Healthcare system</td>
<td>• Legal and institutional issues</td>
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<td>• Anti-money-laundering activities</td>
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<td>• Better Regulation</td>
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<td>• Supervisory and resolution</td>
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<td>• Judicial reform</td>
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<td>• SOE Management</td>
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<td>• Sectoral expertise: transport, environment, water, agriculture</td>
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Support to reforms (not exhaustive)
Types of support provision

- Expert/scoping missions
- Seminars, conferences and workshops
- Study visits
- Studies/diagnostic analyses
- Embedded experts
- Training
- Reform partnerships
• **Objective of the SRSP**: strengthen the capacity of MS to prepare and implement growth-enhancing reforms, including through assistance for the efficient and effective use of Union funds

• **Support is demand-driven**: three factors can trigger support under the SRSP

• **Scope of possible support**: a very large range of public policy fields

• **Duration**: 2017-2020
SRSP budget

Financial envelope: two layers

**SRSP "dedicated" envelope:** EUR 142.8 million (to be split by annual allocations)

**"Additional" budget:** voluntary contribution from MS – *transfer of resources under Article 25 ESIF*

- extended to all MS (programme countries or not)
- follows ESIF rules (both procedure and eligibility)

**NOTA BENE: NO CO-FINANCING BY MS (COM DIRECT MGMT)**
Request for support (this year two budget cycles: 30 April for 2017; and 31 October for 2018)

- One request encompassing all MS support needs
- Template + instructions for MS (guidance)
- Purpose: to enable MS to prioritise and to provide information relevant for the assessment by COM of the request for support

COM decisional process

- General principles: transparency, equal treatment, sound financial management
- Criteria for analysis: urgency, breadth and depth of problems identified, support needs in relevant policy areas, socio economic indicators, general administrative capacity of MS
Cooperation and support plan (CSP)

- **Minimum content**: priority areas for support, objectives, indicative timeline, scope of the support measures, estimated financial contribution

**CSP to be transmitted to EP and Council**

COM will have to take into account the existing actions under EU programmes and funds, which already provide support to the MS (no double funding, no duplication of activities)

**Annual Work Programme (COM to adopt)**

- **sets out the actions in order to implement the CSPs**: grants, public procurement, etc.

**Information to EP and Council**

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Other elements under the SRSP

Coordination (both COM & MS)

- COM and MS are jointly responsible for EU added value, complementarity and synergies of actions (in both programming and implementation stages)
  
  - COM: SRSS country coordinator; internal COM coordination mechanism
  - MS: central coordination for request for support and implementation (Coordinating authority) – to reinforce "ownership" by the MS concerned

Annual monitoring report to EP and Council (COM to adopt)

- covers inter alia: (i) requests for support, (ii) assessment criteria, (iii) CSPs
- monitoring of support actions
SRSP roll-out calendar 2017

Letter to MS: 30 April
Entry into force SRSP: June
Analysis of MS requests by SRSS: June-July
Annual work Programme: Sept-Oct

Informal MS requests for support: 10 March
Formal submission of request for support: 1 June
Finalisation of Cooperation and Support Plans: Aug-Sept
Contracts & Grants (projects) on the ground: Sept-Oct

Annual work Programme: June

Analysis of MS requests by SRSS: May-June

Annual work Programme: June-July

SRSP roll-out calendar 2017
SRSS TEAMS
The "governance and public administration" team of the SRSS was established to support Member States with technical assistance in the areas of governance and public administration. Support is provided at the request of Member States, tailoring assistance to their needs and requirements and ensuring synergies with European Structural & Investment Funds (ESIF) Programmes. The provision of technical support is coordinated among Commission services and international organisations to avoid overlaps and inefficiencies.

The team engages with public authorities in Member States, including the government, public administrations and government agencies at national, regional and local levels, to design and implement structural reforms to optimise the efficiency of the public administration.

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of governance and public administration.

The SRSS focuses on:
1. Providing advice and hands-on support at various stages of reform implementation;
2. Capacity building of public administrations; and
3. Setting up systems to ensure the development of evidence-based policy-making.
The "Labour Market, Health & Social Services" team of the SRSS was established to support Member States with technical assistance in the areas of the labour market, social welfare, education, pension and health. Technical support is provided at the request of Member States, tailoring assistance to their needs and requirements and ensuring synergies with ESIF Programmes. The provision of support is well coordinated with other Commission services (in particular DG EMPL and other relevant DGs) to avoid overlaps and other inefficiencies.

The team engages with public authorities in Member States, including the government, public administrations and government agencies at national, regional and local levels, to put in place structural reforms to improve the functioning of health care services, education, labour market, and other social policies.

**Examples of Topics Covered**

**Health Systems**
- Universal access to quality healthcare
- Governance and efficient public administration
- Fair and sustainable financing of health systems
- Human resources for healthcare

**Education**
- Modernisation of administrative structures
- Continuing professional development of teachers
- Funding mechanisms and expenditure in education
- Vocational education and training

**Social Welfare**
- Social welfare review
- Minimum income schemes
- Social care
- Disability: assessment, benefit design & activation

**Pensions**
- Pension scheme integration
- Benefit administration
- Review of special schemes
- Social economy

**Labour Market**
- Labour administration
- Public employment services
- Undeclared work
- Public work schemes
- Youth employment schemes
- Social economy

The wide range of topics covered allows the SRSS to work on the priorities identified by a Member State in the areas of labour market, health and social services.

The SRSS focuses on:
1. Providing advice and hands-on support at various stages of reform implementation;
2. Capacity building of public administrations; and
3. Setting up systems to ensure the development of evidence-based policy-making.
INTRODUCING THE SRSS REVENUE ADMINISTRATION & PFM TEAM

Examples of Topics Covered

Revenue Administration
- Strategic and Operational Planning
- Compliance Strategy
- Business Process Management
- Risk Management
- Performance Management
- Tools and Methodologies
- Organisational Reforms
- Capacity Building

Public Financial Management
- Spending Reviews and Budget Preparation
- Accrual Accounting
- Fiscal Councils
- Supreme Audit Institutions

Tax Policy
- Micro and Macro Simulations
- Revenue Analyses and Forecasts
- Tax Modelling
- Tax Legislation

The "Revenue Administration & Public Financial Management" team of the SRSS has been established to cover requests of Member States for technical support in the field of administration of taxes, social security contributions, tax policy, public financial management and expenditure policy.

The team engages with public authorities in Member States (mostly Ministries of Finance, Revenue Agencies, Tax and Customs Administrations, and other delegate bodies) to support fiscal institutional reforms.
THE "GROWTH & BUSINESS ENVIRONMENT" TEAM OF THE STRUCTURAL REFORM SUPPORT SERVICE (SRSS) PROVIDES TECHNICAL SUPPORT TO MEMBER STATES ON INVESTMENT, COMPETITIVENESS AND GROWTH. THE TEAM SUPPORTS PUBLIC AUTHORITIES IN EU MEMBER STATES, INCLUDING THE GOVERNMENT AND REGULATORY BODIES, ON STRUCTURAL REFORMS TO STRENGTHEN THE INVESTMENT CLIMATE, LEVERAGE PUBLIC ASSETS AND PROMOTE THE ENERGY UNION.

MEMBER STATES ARE INVITED TO ENGAGE WITH THE SRSS ON ANY REFORM PRIORITY OF GROWTH & BUSINESS ENVIRONMENT. MEMBER STATE REQUESTS CAN RELATE TO BOTH NATIONAL AND EUROPEAN INITIATIVES.
The "Financial Sector & Access to Finance" team of the SRSS has been established to cover requests of Member States for technical support in the financial sector.

The team engages with public authorities in Member States, including the government, central bank and supervisory authorities, to put in place structural reforms to improve the functioning of the financial sector.

The wide topics covered allows the SRSS to engage in discussions on any priority a Member State approaches the SRSS with in the financial sector.

On top of this flexibility to engage in discussions across any topic that is identified as a priority for a Member State, the SRSS Financial Sector & Access to Finance team had identified three topics where it is working to develop specific support modalities:

1. Capital Markets Union;
2. Non-Performing Loans; and
THANK YOU