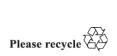


# **Committee of Experts on Public Administration**

Report on the twenty-first session (4–8 April 2022)

Economic and Social Council Official Records, 2022 Supplement No. 24





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United Nations • New York, 2022

#### Note

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

#### Summary

The Committee of Experts on Public Administration held its twenty-first session at the Headquarters of the United Nations in New York from 4 to 8 April 2022. The session was held in a hybrid format, with the majority of members participating in person. The overall theme of the session was "Transforming institutions and governance to build forward better towards 2030".

One of the key messages of the Committee was that in order to build forward from the coronavirus disease (COVID-19) pandemic and advance the implementation of the 2030 Agenda for Sustainable Development, governments at all levels should strengthen public institutions and social, physical and technological infrastructure and make their economies more resilient and agile, with a view to being better prepared to manage potential future economic, social and environmental shocks. Doing so called for, among other things, political will, a change of mindsets and the sound management of public resources. Effective cooperation was needed, including on data- and information-sharing, digitalization, widespread COVID-19 vaccination and testing, and access to COVID-19 medication, education and training. The exchange of lessons learned from the pandemic would be crucial.

Another key message was that the fragmentation of responsibility for combating climate change and the sustainable management, protection and restoration of natural resources was a major institutional barrier to achieving Sustainable Development Goals 13, 14 and 15. Governments were encouraged to prioritize mechanisms for policy coherence, including through the promotion of ecosystem management and territorial development approaches within and across administrative boundaries. Simplified regulatory frameworks and clear distribution of responsibilities across all levels of government were part of the solution, along with increased capacity in natural capital accounting.

The Committee stressed that progress in creating strong institutions for sustainable development in conflict-affected settings was often hampered by the emphasis on short-term security needs, political interests and external dependency. Sustaining peace depended on the long-term engagement of all stakeholders in institution-building that was consistent with local norms and political realities. That could include bottom-up approaches addressing the root causes of conflict, the strengthening of tax collection systems, increased risk assessment and conflict prevention measures.

When reviewing the application of the principles of effective governance for sustainable development at the subnational level, the Committee found subsidiarity, integrity, oversight and participation to be among the more salient elements. Effective multilevel governance was key. Ongoing reforms might be needed in that area to better support the achievement of the Sustainable Development Goals, alongside further efforts to strengthen subnational governments and promote whole-of-government and whole-of-society approaches, while enhancing fiscal capacity and financial management systems.

The Committee reiterated that open and inclusive public financial management was essential to ensuring government accountability and legitimacy. Political will was a crucial factor, paired with sufficient public sector capacities, resources and incentives. Embedding the Sustainable Development Goals in budgets, for example through budget tagging, could accelerate their achievement. Fiscal sustainability, oversight and budget credibility should be enhanced, and off-budget spending reduced. Those matters should be studied more closely. Expanded efforts to develop

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and adopt international norms and standards on managing fiscal stimulus packages and fiscal policy in times of crisis could also be valuable.

The Committee agreed that building responsive, robust and resilient institutions called for more creative, flexible and integrated ways of working, focused on the needs of people, as well as an adequate stock of competencies and resources, able to be activated in times of crisis. Governments were encouraged to further promote the professionalization of the public sector workforce, invest in digital skills, update competency frameworks for implementation of the Sustainable Development Goals, and address inequalities within the public sector workforce as well as social inequities in the design and delivery of public services. Such efforts could help to address questions of legitimacy in the public sector and trust in institutions.

The Committee underscored that digitalization continued to offer immense opportunities to improve public service delivery, combat corruption, reduce inequalities and improve State-citizen relations, provided it was managed in a fair, ethical, inclusive and people-centred manner. Efforts must be made to address digital divides in order for the digital transformation to achieve its full potential, including through hybrid models of public service delivery, alongside improved data governance and greater attention to the mitigation of risks arising from new technologies through new policy and regulatory regimes and standards.

Lastly, the Committee engaged in a dialogue with voluntary national review countries and voluntary local review cities with the objective of promoting interaction on institutional aspects of Sustainable Development Goal 16, and held a dedicated consultation with observers, including youth organizations. Italy, Morocco, Mexico City and Shah Alam, Malaysia, each presented concrete experiences for discussion. While discussing the use of peer exchange platforms, members and observers agreed on the potential merits of a voluntary Committee-led peer exchange platform on institutional aspects of Goal 16.

The Committee concluded its session by adopting a draft resolution and a draft decision for the consideration of the Economic and Social Council. The Committee also reaffirmed its contribution to the 2022 high-level political forum on sustainable development.

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### Chapter I

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

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

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

## Report of the Committee of Experts on Public Administration on its twenty-first session

The Economic and Social Council,

Recalling its resolutions 2020/21 of 22 July 2020, 2021/12 of 8 June 2021 and other related resolutions on public administration and development, in which it affirmed that service to citizens should be at the centre of transforming public administration and that the foundations of sustainable development at all levels include transparent, participatory and accountable governance and a professional, ethical, responsive and information and communications technology-enabled public administration,

Reaffirming General Assembly resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development",

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

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

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

*Referring* to the United Nations Convention against Corruption,<sup>2</sup> which entered into force on 14 December 2005,

Recalling General Assembly resolution 76/189 of 17 December 2021, in which the Assembly recognized the need to harness the potential of information and communications technologies as critical enablers of sustainable development and to overcome digital divides, and stressing that capacity-building for the productive use of such technologies should be given due consideration in the implementation of the 2030 Agenda and the Addis Ababa Action Agenda,

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

<sup>&</sup>lt;sup>1</sup> General Assembly resolution 71/256, annex.

<sup>&</sup>lt;sup>2</sup> United Nations, *Treaty Series*, vol. 2349, No. 42146.

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

Recalling further General Assembly resolution 74/236 of 19 December 2019 on human resources development,

Referring to General Assembly resolution 74/270 of 2 April 2020, in which the Assembly recognized the unprecedented effects of the coronavirus disease (COVID-19) pandemic, including the severe disruption to societies and economies, as well as to global travel and commerce, and the devastating impact on the livelihood of people, and reaffirmed its full commitment to the decade of action and delivery for sustainable development,

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

- 1. Takes note of the report of the Committee of Experts on Public Administration on its twenty-first session,<sup>3</sup> and expresses its appreciation for the work done by the Committee on transforming institutions and governance to build forward better towards 2030 in accordance with the 2022 theme of the Economic and Social Council and the high-level political forum on sustainable development;
- 2. *Invites* the Committee to continue to place the 2030 Agenda for Sustainable Development<sup>4</sup> at the centre of its work and to continue to advise the Council on how public administrations can support the implementation and progress reviews of the Sustainable Development Goals;
- 3. Welcomes the contribution of the Committee to the high-level political forum, and reaffirms that the principle of leaving no one behind should be a core principle of public administration;

#### Transforming institutions and governance to build forward better towards 2030

- 4. Recognizes the relevance of whole-of-government and whole-of-society approaches to sustainable development and leaving no one behind, and encourages Governments to work together in the interest of all countries to strengthen public institutions, enhance their social, physical and technological infrastructure, and make their economies more resilient and agile, in order to protect against the impacts of the coronavirus disease (COVID-19) pandemic and to be better prepared to manage potential economic, social and environmental shocks in future;
- 5. Recognizes that achieving sustainable development and strengthening resilience require a long-term perspective in public policymaking, together with institution-building at all levels, based on effective governance for sustainable development, as well as a steadfast commitment to promoting peaceful, just and inclusive societies;
- 6. Also recognizes that building forward better from the pandemic, while advancing the full implementation of the 2030 Agenda for Sustainable Development, calls, inter alia, for political will, a change of mindsets, transformational leadership, the sound management of public resources, respect for privacy and security of personal data, and the preservation of human dignity;

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<sup>&</sup>lt;sup>3</sup> Official Records of the Economic and Social Council, 2022, Supplement No. 24 (E/2022/44).

<sup>&</sup>lt;sup>4</sup> General Assembly resolution 70/1.

- 7. Notes with concern that the fragmentation of responsibility for combating climate change and for the sustainable management, protection and restoration of natural resources can be a major institutional barrier to the achievement of Goals 13, 14 and 15 and encourages Governments to prioritize the establishment and strengthening of mechanisms for policy coherence to this end, inter alia, through the promotion of ecosystem management and territorial development approaches within and across administrative boundaries;
- 8. Also notes with concern that there is an insufficient appreciation of the value of the environment in many countries and urges Governments to build the capacity of the public sector in natural capital accounting based on the System of Environmental-Economic Accounting, as well as strengthen the accountability of public institutions with regard to environmental protection by including an assessment of the state of natural resources under their jurisdiction as part of regular performance assessments;
- 9. Reaffirms the need for pragmatic ongoing improvements in national and subnational governance capabilities to achieve the 2030 Agenda and other international agreements, and encourages Governments at all levels to apply the principles of effective governance for sustainable development,<sup>5</sup> endorsed by the Council in its resolution 2018/12 of 2 July 2018, to all public institutions and in support of the implementation of all Sustainable Development Goals, taking into account different governance structures, national and subnational realities, capacities and levels of development and respecting national policies and priorities;
- 10. Encourages the Committee to continue to identify and review related technical guidelines and experiences to operationalize the principles at the national and subnational levels, including from sectoral perspectives, and to further engage the relevant United Nations organizations, regional organizations and professional and academic communities in this regard, in an inclusive manner, together with all relevant stakeholders;
- 11. Also encourages Governments, especially in view of stronger budget pressures, to accelerate action to increase transparency and equal participation in and oversight of the budgeting process, establish transparent public procurement frameworks as a strategic tool to reinforce sustainable development and curb corrupt practices, and to embed commitments to the Goals in budgetary and financial processes at the national and subnational levels by adopting practices to monitor and report on the use of public financial resources in support of the Goals, such as reorganizing budgets, based on programmes and activities, and mapping and tracking budgetary contributions to each Goal;
- 12. Recognizes that building resilient institutions calls for more creative, flexible and integrated ways of working that are focussed on the needs of people, as well as an adequate stock of competencies, capabilities and resources, and encourages Governments to further promote professionalization of the public sector workforce, invest in digital skills, update competency frameworks for implementation of the 2030 Agenda, address inequalities that exist within the public sector workforce, and take steps to address social inequities in the design and delivery of public services;
- 13. Welcomes the continuing work of the Committee on building strong institutions for sustainable development in fragile and conflict-affected countries, notes that peacebuilding and sustaining peace depend on long-term engagement in institution-building involving all stakeholders that is consistent with local norms and political realities, and looks forward to the Committee's further engagement in

<sup>5</sup> Official Records of the Economic and Social Council, 2018, Supplement No. 24 (E/2018/44), chap. III, sect. B, para. 31.

promoting effective governance for sustainable development in such situations and its contribution to the work of the Peacebuilding Commission;

- 14. Underlines that the pandemic has both accelerated the digital transition and revealed technological weaknesses of public administrations, reiterates that the impact of the COVID-19 pandemic exacerbates inequalities caused by digital divides, and encourages Governments to manage digitalization of public services in an inclusive, fair, ethical and people-centred manner, while accelerating efforts to bridge digital divides, inter alia through hybrid models of public service delivery;
- 15. *Encourages* oversight agencies to strengthen the use of open data and artificial intelligence to detect and deter corruption and bribery in all their forms;
- 16. Calls for increased efforts to support national and international peer exchanges and peer learning on the implementation of the Sustainable Development Goals, including through cooperation with existing international networks;
- 17. Takes note of the increasing demands for assistance with operationalization of the principles of effective governance for sustainable development and the Committee's emphasis on the need to strengthen the Secretariat of the Committee to enable it to respond effectively;

#### Follow-up

- 18. Requests the Committee, at its twenty-second session, to be held from 27 to 31 March 2023, to examine and make recommendations on the theme of the 2023 session of the Council and the 2023 high-level political forum and to contribute to the review of the implementation of Sustainable Development Goal 16, giving particular attention to the cross-cutting nature of all the Goals;
- 19. *Invites* the Committee to continue to advise on approaches and practices related to the institutions, policies and arrangements to promote the implementation of the Sustainable Development Goals, bearing in mind that the specific contexts and situations of countries differ widely, as well as to advise on making institutions effective, accountable and inclusive;
- 20. Requests the Secretary-General to take the present resolution fully into account in the work of the Organization, inter alia, in addressing gaps in research and analysis and in responding to the capacity development needs of Member States for building effective, accountable and inclusive institutions at all levels in pursuit of the achievement of the Sustainable Development Goals;
- 21. Also requests the Secretary-General to continue to promote and support innovation and excellence in public services for sustainable development through the United Nations Public Service Awards;
- 22. Further requests the Secretary-General to report on the implementation of and follow-up to the present resolution through the established working methods of the Committee.

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

2. Bearing in mind the theme of the 2023 session of the Council and of the high-level political forum on sustainable development, the Committee of Experts on Public Administration recommends that the Council review and adopt the following draft decision:

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## Dates and provisional agenda of the twenty-second session of the Committee of Experts on Public Administration

The Economic and Social Council:

- (a) Decides that the twenty-second session of the Committee of Experts on Public Administration will be held at United Nations Headquarters from 27 to 31 March 2023:
- (b) Approves the provisional agenda for the twenty-second session of the Committee as set out below:
  - Election of officers.
  - 2. Adoption of the agenda and other organizational matters.
  - 3. Institutional aspects of the 2023 theme of the Economic and Social Council and the high-level political forum on sustainable development.
  - 4. Peer exchange with voluntary national review countries and voluntary local review cities on experiences and promising practices in implementing Sustainable Development Goals 16 and 17.
  - 5. Institutional mechanisms for providing economic, financial, and structural support to address climate change, reduce the use of fossil fuels and protect biodiversity.
  - 6. Application of the UN principles of effective governance for sustainable development for the achievement of the Sustainable Development Goals.
  - 7. Reinventing public sector workforce training and institutional learning towards changing mindsets in the public sector.
  - 8. Public financial management in times of emergency and implications for the credibility of budgets.
  - 9. Stimulating public sector innovation through digital technology and measuring the impact of digital government.
  - 10. Responding to the effects of climate change in institution-building efforts in fragile countries and countries emerging from conflict.
  - 11. Provisional agenda for the twenty-third session of the Committee.
  - 12. Adoption of the report of the Committee on its twenty-second session.
- (c) Decides that documentation in support of the provisional agenda should continue to be prepared through the established working methods of the Committee.

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

3. The Committee would like to draw the attention of the Economic and Social Council to its contribution to the thematic review of the 2022 high-level political forum on sustainable development on the subject of transforming institutions and governance to build forward better towards 2030, conveyed to the President of the Council as Chair of the high-level political forum on 4 March 2022. The Committee further examined the 2022 theme from a governance and public administration perspective at its twenty-first session.

<sup>&</sup>lt;sup>1</sup> See https://sustainabledevelopment.un.org/content/documents/29654CEPA\_contribution\_to\_ 2022 HLPF.pdf.

- 4. One of the key messages of the Committee was that building forward better from the coronavirus disease (COVID-19) pandemic, all while advancing the full implementation of the 2030 Agenda, called for the building of stronger and more effective, resilient and credible public institutions at all levels. That required, among other things, political will, a change of mindsets, transformational leadership and the sound management of public resources.
- 5. None of the Sustainable Development Goals could be attained without addressing the plight of the weakest countries and the poor, who had been disproportionately affected by the economic impacts of the pandemic, and ensuring that no one was left behind. Recovery measures should focus on reopening and rebuilding economies in a sustainable manner, including by providing assistance to countries in managing debt levels and inflation and investing in essential public services.
- 6. In order to bridge pandemic-induced educational gaps and address long-term challenges in educational systems, there was a need to shift from performance metrics based on inputs to metrics based on outcomes, decentralize educational administration to a greater extent so that teachers and school leaders were empowered to align institutional functioning with community needs, and close the digital divide.
- 7. The Committee stressed the value of investing more in the public sector workforce to bring competences and values in line with the challenges ahead. For instance, better risk and crisis management capabilities were needed to overcome the current pandemic and be better prepared to address future shocks. Awareness of the Sustainable Development Goals, knowledge of policy coherence and leadership development could usefully be incorporated in public sector workforce training and reflected in recruitment strategies.
- 8. Recent experience had shown that governments would not be able to provide necessary services and protection to people if they continued to work in silos. Building institutionalized spaces for collaboration across all levels of government and with different stakeholders was part of the equation. Some countries had created ad hoc multilevel committees or adopted other forms of collaboration to respond to the pandemic, while deploying extra capacities. In order to enhance resilience, it might be beneficial to retain such institutional mechanisms in standby mode, ready to be used again when needed.
- 9. The Committee agreed that there was a need for enhanced coordination and effective monitoring of responses to the pandemic by international and regional organizations. Expanded efforts to develop and adopt international norms and standards on managing fiscal stimulus packages and fiscal policy in times of crisis were seen to be important enablers for ensuring adequate levels of transparency, accountability and participation.
- 10. If managed in an inclusive, fair and ethical manner, the digital transition represents a valuable opportunity to improve effectiveness, combat corruption and recast State-citizen relations in a more dynamic, responsive and accountable manner. Further digitalization of the public sector requires resources, skills and infrastructure, combined with efforts to enable the meaningful participation of all stakeholders in policymaking. While new technologies are powerful tools for connecting people and promoting the Sustainable Development Goals, the Committee expressed concern that disinformation might undermine public institutions and effective governance, and called for attention to fact-checking and to respecting privacy and data security.
- 11. The Committee engaged in a dialogue with two voluntary national review countries and two voluntary local review cities with the objective of promoting direct interaction on the institutional aspects of Sustainable Development Goal 16. Italy,

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Morocco, Mexico City and Shah Alam, Malaysia, each presented concrete experiences for discussion. On the use of peer exchange platforms, members and observers agreed on the potential merits of a voluntary Committee-led peer exchange platform on the institutional aspects of Goal 16.

12. Further observations and conclusions pertaining to the 2022 theme of the forum can be found in chapter III of the present report.

### **Chapter II**

### Organization of the session

#### A. Work of the session

- 13. The Committee of Experts on Public Administration, established by the Economic and Social Council in its resolution 2001/45, consists of 24 experts appointed in their personal capacity by the Council upon nomination by the Secretary-General. The Committee held its twenty-first session at the Headquarters of the United Nations from 4 to 8 April 2022.
- 14. The Director of the Division for Public Institutions and Digital Government, Juwang Zhu, called the session to order. The President of the Economic and Social Council, Collen Vixen Kelapile, and the Under-Secretary-General for Economic and Social Affairs, Liu Zhenmin, made opening remarks. The Committee considered all the items on the agenda of the twenty-first session and concluded by adopting the draft report.

#### B. Attendance

- 15. The following 17 Committee members attended the session in person: Yamini Aiyar (India), Rolf Alter (Germany), Linda Bilmes (United States of America), Geraldine J. Fraser-Moleketi (South Africa), Paul Jackson (United Kingdom of Great Britain and Northern Ireland), Aigul Kosherbayeva (Kazakhstan), Louis Meuleman (Netherlands), Lamia Moubayed Bissat (Lebanon), Juraj Nemec (Slovakia), Katarina Ott (Croatia), Alketa Peci (Brazil), Mauricio Rodas (Ecuador), Devon Rowe (Jamaica), David Moinina Sengeh (Sierra Leone), Sherifa Fouad Sherif (Egypt), Lan Xue (China) and Najat Zarrouk (Morocco). The following six Committee members participated remotely: Augustin Fosu (Ghana), Ronald U. Mendoza (Philippines), Soonae Park (Republic of Korea), Carlos Santiso (France), Henry Sardaryan (Russian Federation) and Aminata Touré (Senegal).
- 16. The following entities of the United Nations system were represented at the session: International Labour Organization, International Telecommunication Union, Regional Commissions New York Office, United Nations Development Programme, Economic and Social Commission for Western Asia, United Nations Institute for Training and Research, United Nations University, World Bank.
- 17. Observers from governmental, non-governmental and related organizations also attended. Observers were invited to provide written statements in advance of the session. The list of observers who attended the twenty-first session can be viewed on the website of the Committee.

#### C. Agenda

- 18. The agenda of the twenty-first session of the Committee was as follows:
  - 1. Election of officers.
  - 2. Adoption of the agenda and other organizational matters.
  - 3. Governance and public administration aspects of the theme of the 2022 session of the Economic and Social Council and the 2022 high-level political forum on sustainable development.

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- 4. Building strong institutions to combat climate change and its impacts and for the sustainable management, protection and restoration of natural resources.
- 5. Issues of governance and institution-building in conflict-affected countries.
- 6. Application of the principles of effective governance for sustainable development at the subnational level.
- 7. Issues in public financial management and budgeting for the Sustainable Development Goals.
- 8. Public sector workforce matters.
- 9. Issues in digital government.
- 10. Dialogue with voluntary national review countries on institutional aspects of Sustainable Development Goal 16.
- 11. Provisional agenda for the twenty-second session of the Committee.
- 12. Adoption of the report of the Committee on its twenty-first session.

#### D. Election of officers

19. The following members served as officers of the Committee during the twenty-first session:

#### Chair:

Geraldine J. Fraser-Moleketi (South Africa)

#### Vice-Chairs:

Rolf Alter (Germany) Louis Meuleman (Netherlands) Lamia Moubayed Bissat (Lebanon)

#### Rapporteur:

Alketa Peci (Brazil)

### **Chapter III**

# Transforming institutions and governance to build forward better towards 2030

# A. Building strong institutions to combat climate change and its impacts and for the sustainable management, protection and restoration of natural resources

#### Addressing silos and fragmentation

- 20. The Committee noted that progress towards achieving the environment-related Sustainable Development Goals had stagnated or deteriorated across all regions. That poor performance was due in large part to institutional factors. In most countries, there was no clear leadership role assigned to a specific ministry or government department for coordination across institutions. The picture was especially complex in federal systems, where subnational governments were key actors in many areas of policymaking and regulation relevant to the Goals. Policy conflicts were frequent, including with regard to the allocation of resources, and change was difficult to achieve even when there was strong political will. A lack of funding for the environmental transition in emerging economies was exacerbating policy trade-offs.
- 21. In addition, ecosystem boundaries and institutional financing arrangements were often misaligned with government jurisdictions. Complex legal frameworks that were difficult to implement prevented the replication of good practices due to lack of legal authority, while overly complicated regulatory frameworks hampered innovation, investment, financing and partnerships. There could also be a lack of coordination in holding people and businesses accountable for environmental harms.
- 22. Those jurisdictional challenges were aggravated by insufficient data and tools to address data gaps. Fragmentation also created data silos and made it very difficult to quantify the total volume of public sector resources being allocated to the implementation of the Sustainable Development Goals in national and local budgets. However, the tracking of total resource allocation was a key indicator of the level of commitment and policy priority attached to achieving the Goals.
- 23. Governments could be encouraged to prioritize the establishment or strengthening of mechanisms for policy coherence, including through the promotion of ecosystem management and territorial development approaches within and across administrative boundaries. Simplified regulatory frameworks and clear distribution of responsibilities across all levels of government were part of the solution.

#### Building capacity for natural capital accounting

- 24. While well-crafted regulatory policies were crucial to addressing environmental challenges, the Committee noted that they were usually insufficient on their own. There was also a need for effective market signalling, through a mix of taxes and subsidies, to ensure that private sector actors were incentivized to achieve the Sustainable Development Goals. Natural capital accounting was a key instrument for creating such market-based incentives, making costs and benefits more transparent.
- 25. Metrics were required to measure natural capital more precisely. Tools for measuring the services provided by ecosystems across sectors, tracking changes in ecosystem assets and linking that information to economic and other human activity were available and should be applied more widely.
- 26. The System of Environmental-Economic Accounting had achieved remarkable progress in that area. Many countries were, however, only in the early stages of

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building capacity in natural capital accounting, using varying approaches, making it difficult to demonstrate an economic argument for investing in environmental protection. The new Artificial Intelligence for Environment and Sustainability tool for rapid natural capital accounting was found to be promising and beneficial in that respect, particularly for subnational governments with more limited resources.

- 27. Private sector accounting standards should be altered to incorporate gains and losses from environmental impacts on asset prices and corporate balance sheets. That in turn could affect the market pricing of polluting goods and services and ultimately shift the allocation of public and private capital at a scale necessary to address climate change threats.
- 28. Private accounting firms would not voluntarily incur the costs of acquiring expertise in measuring environmental impacts unless there was a major shift in global accounting standards. At the national level, standards were generally set by private bodies based on consensus and often slowly adapted. International coordination of private sector accounting standards would be necessary, as otherwise the setting of strict environmental standards in one jurisdiction risked simply displacing heavily polluting activities to other countries or regions.

#### Influencing societal behaviour, choices and norms

- 29. While there appeared to be an overall desire to protect biodiversity and combat climate change, it was difficult for political leaders to make a compelling case for change to local populations facing crises such as floods, droughts and food shortages, even though such events were frequently related to climate change. A shift in mindset was required to change behaviours and promote practices that improved human health and well-being while protecting the natural habitat.
- 30. Knowledge-sharing within and among countries and education were critical components for building strong community participation. A better understanding of social norms, including by evaluating the impact of social media, might help in promoting practices that protected the natural environment, even in the absence of external regulations or penalties.

#### Responding to urban challenges

- 31. Many cities had grown beyond the boundaries of their central municipality. Unbridled expansion adversely affected biodiversity and environmental sustainability in rural areas, particularly through permissive land-use planning or when urbanization was not well planned and managed.
- 32. The New Urban Agenda called for the integration of climate change adaptation and mitigation measures in urban and territorial development and planning processes, making cities essential players. Urban actors were, in many instances, constitutionally and legislatively empowered with the autonomy and competencies to influence local level climate action strategies. There was a need for increased exchange of knowledge and experience among cities, including on innovative partnerships with the private sector.
- 33. Public-private partnerships and private resource mobilization were critical for climate finance in urban areas, alongside intergovernmental transfers and vesting local governments with a revenue collection mandate. Local governments often lacked the capacity to access finance themselves due to low credit worthiness and lack of awareness or experience. Greater clarity on the sharing of resources and responsibilities between national and subnational governments remained an ongoing concern.

# **B.** Issues of governance and institution-building in conflict-affected countries

#### Tension between political and developmental objectives

- 34. The Committee continued its reflection on building strong institutions for sustainable development in conflict-affected countries, with reference to lessons from Afghanistan. Public administration played an important role in developing integrated approaches to long-term development objectives in countries emerging from conflict and in addressing critical security issues. Security interests should not be prioritized over development as a focus on developmental objectives was more likely to have broader support and produce more durable results in the long term.
- 35. Political objectives could lead to mission creep, which contributed to tensions between political and developmental objectives, sometimes with profound effect, and should be guarded against. In the case of Afghanistan, mission creep had led to an expanding security sector, as well as attempts to undermine that security, placing local delivery agents at risk and complicating development efforts.

#### Institutions and economic growth

36. Another major challenge in conflict-affected countries was insufficient attention to economic development, coupled with poor tax collection, corruption and the setting of unrealistic timelines. Loss of human capital, resulting from migration or interruptions in education and the long-term psychological impact of conflict on young people, further undermined future State-building efforts and reinforced inequalities. The long-term effects of conflict should be factored into development initiatives. Youth employment was a particular concern. Investments in education needed to be made productive and accompanied by investments in physical capital.

#### External dependency

37. External dependency could result in limited incentive for political leaders and officials to tackle urgent issues such as corruption, if they believed that foreign forces would attend to those tasks; that could potentially lead to national Governments struggling to support themselves after the departure of foreign forces. Even if financial means were available for post-conflict recovery, their use might not lead to sustainable results due to different political interests. Another consequence of dependency and lack of planning was the absence of a sustainable tax base for maintaining State institutions.

#### Poor understanding of political dynamics

- 38. In State-building, there was a tendency to take a familiar approach to institution-building on the assumption that familiar outcomes would be achieved. It was often assumed, for example, that rebuilding infrastructure and providing specific services that might conflict with the provision of existing community services would result in the increasing use of State services and a willingness to pay tax for those services. However, those results were not assured.
- 39. The building of strong institutions also required recognition of the fact that not all institutions would look the same, be constructed identically or enjoy similar levels of legitimacy. A key lesson learned from Afghanistan was that merely superimposing a set of State institutions on existing governance mechanisms could result in the failure of the two layers of governance to connect and in the legitimacy of the State being undermined.

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- 40. Interventions needed to be contextually appropriate, acknowledging that each society was different, as were the root causes of conflict in each situation. Interventions needed to be focused on processes as well as institutions, so that functions were prioritized over form and the interventions were politically astute. That approach involved working with local norms and political realities and required incremental change over longer timescales than those often applied in accordance with best practices.
- 41. The structure and operation of State institutions was inherently political, so restructuring any of them would also be political, creating alternative views of what those institutions should be, as well as winners and losers. Reconciliation efforts were needed after conflict to reach consensus among different stakeholders regarding State-building.

#### Promoting bottom-up approaches to State-building

- 42. Many issues could arise from a misunderstanding of the local political terrain, such as when the local political system relied on a system of alliances that was difficult to manage. In such an inherently unstable system, a largely top-down approach to State-building would be difficult, especially if legitimate local actors could not be incorporated using bottom-up approaches.
- 43. Root causes of conflict could include battles over human rights, religious beliefs or resources. The beneficiaries of State-building interventions should be clearly identified. Small actions could be carried out step-by-step for complicated problems that needed a long time to address. A combination of authoritative, competitive and collaborative approaches could help.
- 44. Understanding national and local political dynamics and using bottom-up approaches was crucial, including working with local actors that had legitimacy. That was especially important when government agencies were characterized by dysfunction, corruption, illegitimacy or poor representation. Bottom-up approaches could also address the root causes of those issues and potentially challenge related power structures that might otherwise perpetuate poor governance and unresponsive, exclusive institutions.

# C. Application of the principles of effective governance for sustainable development at the subnational level

#### Assessment of strengths and weaknesses of subnational administration

- 45. The Committee welcomed an assessment by its intersessional working group of the application of the principles of effective governance for sustainable development at the subnational level, including their relevance for improving local governance.<sup>2</sup> Bearing in mind that subnational governments were very diverse in terms of capacities, access to resources and engagement with other actors, the working group explored the preparedness of subnational governments to implement each of the 11 principles, as well as general strengths and shortcomings of governance and public administration at the subnational level. As an analytical framework, the principles had been helpful in drawing attention to questions of effectiveness, accountability and inclusiveness, as well as good practices, while highlighting areas where governance improvements could be pursued, considering the context, needs and priorities of each country.
- 46. The localization of the Sustainable Development Goals, including their implementation and monitoring, required different, integrated approaches and tools,

<sup>2</sup> See E/C.16/2022/5 for details.

including top-down and bottom-up approaches involving all levels of government, and a whole-of-society approach. Many multilevel governance arrangements existed but they might have to be reformed to better support the implementation of the 2030 Agenda for Sustainable Development. A balance between top-down, bottom-up and real-time approaches to multilevel governance would be important.

- 47. The Committee reiterated that the main strength of subnational governments lay in their close relationship with and proximity to citizens. During the pandemic, subnational governments had been responsive and innovative in maintaining operations while managing and responding to the crisis, including by mobilizing resources and investing in capacities. There was a need to examine how such closeness to citizens could be leveraged to provide more rapid responses in many policy areas.
- 48. The biggest challenges for subnational authorities continued to be limitations in leadership, a lack of technical and managerial capacity, a lack of resources and data, and limited competences to advance global commitments while also fulfilling routine government functions. Those challenges were sometimes reflected in the low quality of public services and a lack of trust in institutions, especially in low-income countries and in countries where decentralization was a recent process.

#### **Building forward better**

- 49. One of the main recommendations of the Committee was to promote the integration of Sustainable Development Goal implementation into national and subnational policies that reflected local priorities, needs, challenges and opportunities in order to strengthen overall policy coherence across sectors, as well as to promote multilevel governance arrangements. Territorial approaches to spatial development that valued and built upon existing economic and social capital were seen as valuable and their use could be expanded. The coordination of policies across administrative boundaries and functions would help to optimize the interlinkages between cities and commuting zones, and between rural and urban areas.
- 50. In addition, subnational authorities could consider institutionalizing integrity measures by establishing anti-corruption legal frameworks to boost freedom of information and whistle-blower protection, enhancing merit-based hiring to reduce inequalities and discriminatory practices within government, and expanding audit and control systems to enhance oversight. Raising awareness of the value of ethics and integrity among young people, through educational systems, could provide a solid foundation for future efforts.
- 51. Additional technical and financial support to subnational governments in many of the practice areas enumerated in the principles was seen as crucial. Alongside direct support from central Governments, that could be achieved through strengthened international partnerships in areas such as data collection and performance monitoring. Strengthening oversight by civil society, including through the application of a standard methodology for measuring people's satisfaction with public services, was found to be useful in promoting institutional effectiveness, accountability and inclusiveness.
- 52. Strengthened efforts to promote transparency, access to information, open government and digital government and the promotion of participatory approaches, for example in budgeting, were identified as significant contributors to building trust in local authorities and engaging communities at the subnational level.

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#### Continued operationalization of the principles at all levels

- 53. The Committee welcomed the efforts of the Secretariat to take the Committee's recommendations forward and appreciated the partnership of the Department of Economic and Social Affairs with the African Peer Review Mechanism, spearheaded by the Chair, which had yielded very satisfactory results and was seen as a model of collaboration. In addition to an African Peer Review Mechanism baseline study on the implementation of the principles, the Department of Economic and Social Affairs and the African Peer Review Mechanism had convened a series of regional workshops for African countries to enhance their understanding of the principles, as well as concrete strategies for operationalizing them. Such initiatives were to be encouraged.
- 54. Continued collaboration with the Organisation for Economic Co-operation and Development was also appreciated, including in the areas of policy coherence for sustainable development, multilevel governance and the promotion of a more granular examination of governance and public administration challenges at the subnational level. Strengthened engagement with United Cities and Local Governments could also be beneficial in promoting the principles at the subnational level.
- 55. The Committee stressed that additional resources for the Secretariat would be helpful to build on such engagement, strengthen interaction with regional and other organizations, and continue to expand the operationalization of the principles in response to the apparent demand and interest of many countries.

# D. Issues in public financial management and budgeting for the Sustainable Development Goals

- 56. The Committee stressed that effective, transparent and participatory budgeting processes were required to implement the Sustainable Development Goals, especially considering that the COVID-19 pandemic had led to an unprecedented increase in public spending. Approaches to embedding the Goals in national and subnational budgets varied, with some countries linking their budgets to all Goals and others just to a few of them. Countries were also concentrating on different focus areas, such as budget planning and formulation, execution and the whole budget cycle. Some countries focused on central government budgets, while others included State-owned enterprises, subnational governments and social security entities.
- 57. There was a need to strengthen the linkages between planning and budgeting processes. Embedding budgeting into policy coherence approaches could help to advance budget transparency and participatory approaches, which was particularly challenging but relevant given current economic and fiscal constraints, with refocused policy priorities and difficult policy trade-offs.
- 58. The promotion of transparency and participation was key to understanding how national institutions had been affected by the pandemic, remediating negative impacts in the medium term, and strengthening the resilience of national institutions over the longer term. One of the main enabling factors to achieve transparent, open and participatory budgeting was political will at all levels, paired with sufficient human and financial capacities and strong leadership.

#### Issues at subnational level

59. National and subnational governments were encouraged to make budgeting as transparent, open and participatory as possible. Challenges could occur when all decisions about budgeting were left to the local level, with implementation and success depending significantly on the political will of local politicians to initiate related processes, as well as on available resources.

- 60. The strengthening of finance and financial management capacities of local governments could enable them to transform their budgets into results that were part of a participatory effort to define local priorities in a strategic territorial plan. Building competent public fiscal management capacity at the national and local levels, together with adequate oversight capacity, was highly recommended.
- 61. Central Governments could create incentives for local governments to work on projects related to the Sustainable Development Goals through the allocation of financial resources. The allocation of complementary local resources to effectively implement such initiatives should be monitored.

#### Strengthening budget transparency

- 62. Budget transparency remained insufficient in many countries due to budget complexity, lack of financial literacy and off-budget spending, with deliberate government efforts to hide spending from oversight and citizen scrutiny, including funding allocated outside the budget but approved by parliament. The basis for transparent budgeting already existed in most governments and could be upgraded for the purpose of budget tracking for the Sustainable Development Goals through all budgetary stages, considering local challenges, needs and lessons learned.
- 63. There was a need to increase transparency and oversight, including through timely, comprehensive and evidence-based data and reports, made openly available to the public in an easily understandable manner, facilitated by digital technologies. That could be combined with fiscal literacy initiatives.
- 64. Budget credibility also needed to be strengthened, as budget deviations could endanger the provision of even basic public services in key sectors such as health, education and agriculture, particularly in developing countries. Underspending in social sectors was often significantly higher than the aggregate underspending. It was necessary to explore the factors behind such deviations, which could erode the legitimacy of and trust in the government. The promotion of transparent budgeting for the Sustainable Development Goals called for enhanced education on the 2030 Agenda and for linking fiscal transparency mechanisms to planning processes related to the Goals.
- 65. Some countries were using budget tagging to enhance transparency and support policy analysis in various areas. Examples included gender budgeting, green budgeting and well-being budgeting. Regarding Sustainable Development Goal budget tagging, countries usually defined and estimated relevant expenditure, assigned roles and responsibilities across institutions, put in place arrangements for quality control and integrated it all in their budget processes. For institutionalization and effective implementation of Sustainable Development Goal tagging, ensuring inter-agency ownership, while considering target populations, including women and vulnerable groups, was recommended. Numerous benefits were also observed in the use of climate tagging, such as increased awareness of climate change in central finance and line agencies, better communication of government commitments, enhanced transparency and accountability, and help in mobilizing external funding.

#### Promoting participatory budgeting

66. The application of participatory budgeting, particularly at subnational level, was recommended to involve citizens in infrastructure development and service delivery, while allowing some flexibility regarding the usage of funds. A simplified version of budget documents could be established to reach different stakeholders and not only citizens. The sustainability of participatory budgeting processes needed to be considered and their success was linked to the interface between political and administrative levels of government and the building of legitimacy.

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- 67. Different participatory budgeting initiatives and projects were realized around the world, at different scales and with different quality and outcomes. To increase their effectiveness, they could be integrated into national action plans. In some cases, a combination of top-down and bottom-up or project-based approaches could be more effective.
- 68. Participatory budgeting should build on an understanding of how existing budget processes worked and how to translate ideas into budget proposals and identify which ones were feasible, while allocating sufficient staff time and funding to the process. The creation of multi-stakeholder collaboration mechanisms and a supportive political environment could be beneficial. The mitigation of organizational barriers and of the politicization of the disbursement of resources should be ensured, including by engaging citizens.
- 69. Possible benefits of participatory budgeting included greater accountability and legitimacy of governments; more efficient allocation of resources; better alignment of policies with local needs; and citizen empowerment. Over time, participatory budgeting processes might have to be modified to ensure high levels of participation and the actual execution of projects. International cooperation, peer-to-peer learning and research on participatory budgeting would be crucial going forward.

#### E. Public sector workforce matters

#### Capacity and legitimacy of public sector workforces

- 70. The Committee recalled that the General Assembly, in its resolution 74/236, had emphasized that human resources development, with health and education at its core, lay at the heart of sustainable development. Short-, medium- and long-term strategies were required for a healthy, educated, skilled, capable, motivated, productive and adaptable public sector workforce.
- 71. Public sector capacities in the form of skills, capabilities and resources were necessary, paired with public sector legitimacy through societal trust in government and public institutions. That was particularly relevant due to an apparent disconnect between people and public institutions, often reinforced in times of crisis.
- 72. Going forward, an entrepreneurial approach to human resources management would be important. There was also a need to standardize the recruitment of local public sector workforces to depoliticize the recruitment process and make it merit-based and to promote diversity. Public administration schools could support the strengthening of the public workforce, including through innovations to be scaled up and widely applied.
- 73. Developing countries with smaller populations and public sector capacity were at a disadvantage as they were expected to deliver the same international commitments as countries with larger populations and greater resources. The right size of public sector workforce should be defined and adaptable to needs in times of crisis.

#### Crisis management and resilience

74. There was a need to build forward better by, among other things, integrating resilience into public institutions. An integrated public sector capacity and legitimacy approach made it possible to build resilient and agile public sector institutions that could be activated in times of crisis, while accelerating the achievement of the Sustainable Development Goals. New mindsets and behaviours in public institutions, paired with expertise and tools for strategic anticipation and risk management, were recommended in order to be better prepared for complexity and uncertainties.

- 75. Governments in both developed and developing countries, including local governments, could consider building a stock of competencies, capabilities and resources for crisis management that might become building blocks for resilience strategies. The importance of additional capacities for crisis management demanded a new orientation for capacity-building, particularly given new public management reforms with a focus on efficiency.
- 76. The pandemic had placed emphasis on the importance of front-line workers, but the recent decline of interest in working in that field needed to be addressed, together with other impacts of the crisis, such as human resources loss due to displacement and questions of telecommuting and its application to different civil servant groups.
- 77. Lessons learned from managing the pandemic could be used to make the public sector workforce more effective and resilient and serve as case studies for other crises. Networks of transnational collaboration were important to account for the borderless nature of potential complex future crises, such as another pandemic.

#### **Governance robustness**

- 78. Governance robustness emerged as a dynamic resilience approach for the achievement of the Sustainable Development Goals and demanded a flexible and agile public sector workforce able to transform and adapt in turbulent times. In that context, organizational barriers, such as archaic systems, reluctance to share information, lack of planning, collaboration and trust, and inefficient workplace processes and technologies needed to be eliminated.
- 79. Low- and middle-income countries had skilfully adopted robust governance strategies by engaging wider society in crisis management, including through whole-of-government and whole-of-society approaches; scalability to flexibly mobilize and demobilize resources; and multi-actor collaboration and partnerships involving the private sector and civil society, which was particularly relevant when overall State capacity was low.
- 80. Less formal, compartmentalized and insulated bureaucratic hierarchies and closer relationships with citizens as co-creators and co-implementers of robust governance solutions were required. That could be achieved by changing the interaction between public officials and citizens, as well as the mindsets of civil servants, including by embedding new values and competences into their performance framework.
- 81. Public sector organizations were encouraged to think outside the box and adapt and implement transformation activities as part of a sustained process of improving service delivery to citizens, within the limitations of resources, which was particularly important in countries with smaller populations and more limited public sector capacity.

#### Quality of government

- 82. A focus on public sector workforce professionalization, expertise and motivation was recommended in order to improve the quality of government. The kind of public servants required must be clearly defined.
- 83. Proponents of the quality-of-government approach argued that merit-based, professional public sector workforces, recruited and promoted through merit-based recruitment processes and operating independently of the political sphere, tended to be more effective regarding public policies and curbing corruption. Merit-based, professional public sector workforces also helped to improve responsiveness to crises, including by facilitating the sharing of resources to ensure the provision of essential services in a timely and efficient manner. That in turn enhanced social trust in institutions,

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- which was key to ensuring social acceptance of unpopular government decisions often necessary in turbulent times. Another benefit was that bureaucratic professionalization could lead to a contagious and self-reinforcing process inside government.
- 84. Digitalization could promote more agile human resources and flexible bureaucratic procedures in support of the quality of government, including by improving the delivery of public services. On the other hand, digitalization might also create new inequalities in the public sector workforce, particularly for certain types of workers.
- 85. There was a need to institutionalize and better structure the dialogue between institutions at all levels and civil servants, employee representatives, including trade unions, and other workers to avoid possible human resources conflicts, in particular in times of crisis, and to co-create decent working conditions. Quality of government also required strengthening the trust between political appointees or decision-makers and civil servants to enable innovation and effective service delivery.

#### Inequalities and social vulnerability

- 86. Deep inequalities that had led to developing countries and vulnerable communities being disproportionally affected by the COVID-19 crisis needed to be considered. Raising the awareness of the public sector regarding social inequalities would be key going forward.
- 87. An integrated approach involving different services should be applied to support inclusion, reduce unnecessary administrative burdens, and prevent social stigmatization and discrimination. An equity-driven approach also demanded the addressing of inequalities within the public sector workforce itself, at all levels, which had been made more evident during the pandemic.

#### F. Issues in digital government

#### Reinforcing trust in government

- 88. The Committee underscored that digitalization could strengthen trust, integrity and inclusion in government and support governments on the path to build forward better from the pandemic and achieve the Sustainable Development Goals. The great acceleration of government digitalization that the pandemic had engendered was irreversible, with profound effects on the sharing of data and information and public service delivery, as well as opportunities for collaboration within government and with citizens and other actors.
- 89. Ensuring that digital transformation strengthened trust in governments in their capacity to deliver equitable public services, manage people's data and, in the case of social media, address the risks of disinformation and polarization, was critical. Technologies could build trust, such as through digital identification, if deployed effectively and with sufficient engagement of stakeholders, or they could deepen mistrust, for example when services were digitized without the possibility of independent oversight or adequate privacy safeguards. Implicit data bias in artificial intelligence was one concern for which adequate oversight mechanisms might be needed.
- 90. The uneven playing field in science and technology and the market dominance of some technology companies contributed to limiting options for governments in the application of artificial intelligence, neural networks, access to big data and other technologies. Those factors also introduced security vulnerabilities, which some governments were tackling by restricting access rather than cooperating.

#### Bridging digital divides and leaving no one behind

- 91. The Committee noted that central to the global debate on government in the digital era was the broader challenge of ensuring a just, inclusive, people-centred and rights-based digital transformation, with the goal of leaving no one behind while mitigating the risks of widening digital divides.
- 92. The digital divide affecting many States and population groups, based on lack of access and connectivity infrastructure, including Internet quality, unaffordability due to the high cost of Internet use and digital devices, insufficient capacity-building and digital illiteracy, must be addressed urgently. Access was also about making technologies available to address targeted needs, for instance through mobile devices to address divides between urban and rural areas and developed and less-developed regions. Bridging the gender and income divides and addressing difficulties faced by persons with disabilities were other critical concerns.
- 93. Digital services relied on digital data, which should be disaggregated for inclusion but were often lacking. Data governance could be improved through integrated data centres or big data centres, with data that were more inclusive of vulnerable groups, and more effective collection and integration approaches.
- 94. The rapid development of science and technology had created preconditions for potentially reducing socioeconomic inequalities, including by reducing the time and cost for citizens to gain access to services. For instance, there was immense opportunity in online learning and digital education in schools, as evident in the hardware and software solutions on offer, and especially in offering hybrid solutions. Hybrid models of public service delivery should be considered as a default in order to leave no one behind. In some communities, especially in developing countries, there were still basic challenges of energy availability and electricity access, as well as limited bandwidth availability.

#### Digitalization as an anti-corruption strategy

- 95. Digital innovations, such as data analytics and artificial intelligence, had a critical role to play in preventing and deterring corruption in the digital age. More broadly, the digitalization of government had important anti-corruption impacts because it reduced opportunities for bribery and corruption vulnerabilities, especially in high-risk policy areas related to the management of public finances. However, to exploit in full the integrity benefits of digital transformation, there needed to be greater synergy between digital government reforms and anti-corruption strategies.
- 96. Government digitalization could be a particularly effective anti-corruption strategy, with lower resistance and fewer political costs. The positive externalities of digital reforms contributed to deterring rent-seeking behaviours and anchoring integrity in government operations by altering incentives and changing mindsets.
- 97. The impact of government digitalization on corruption control hinged on related digital and analytical tools being used effectively by integrity actors to enforce accountability. Those digital tools needed to be adapted to the local context and the political economy in which they operated. To make digitalization work as an anti-corruption device, it was equally important to reform analogue policies and rules.
- 98. The impact of digitalization on public integrity and transparency was contingent on policy choices and political will. Digitalization could enhance transparency and enforce transparency obligations, but the extent of such transparency, in the digital and analogue worlds, was a political decision, as was the decision to apply digitalization in various policy spaces, given that the integrity impact of digitalizing government services or procurement rules could differ.

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- 99. Digitalization could also create new corruption risks that needed to be mitigated, such as new digital forms of corruption, given that corrupt networks were also leveraging technology innovations. The more governments went digital, the more they exposed themselves to cybercrime, ransomware attacks and new corruption risks associated with the manipulation of digital records and the misuse of digital identity.
- 100. E-procurement was another area of concern as public procurement officials might not always have sufficient knowledge of technological specifications. Procurement data could also be prone to fraud and privacy issues. It would be important to ensure the digital readiness of administrators to understand such risks and be able to address them. Conflicts of interest could be addressed by digitizing asset declarations.

#### Investing in public sector capabilities and expertise

101. To guide the digital transformation and effectively invest in and deploy government technology solutions, governments needed to strengthen their digital capabilities and expertise. The availability of skilled technology workers was a particular challenge for governments, especially in developing countries. There was a need to mitigate the loss of digital skills through measures such as adequate remuneration and motivation of public sector workers. Investment in human capital in the technology fields should be given greater weight in national human resource strategies and in budgets.

102. The need to strengthen digital capabilities and expertise also applied to regulators in upgrading digital capabilities for smarter regulation and enforcing compliance with privacy regulations and other requirements. The sharp rise in technology budgets in some countries and the increasing complexity of digital solutions created its own set of vulnerabilities. Often, government technology procurement was complex and exposed to implementation failures, cost overruns and vendor capture. Such risks were often the result of the excessive outsourcing of technological expertise in the development of digital government projects.

### **Chapter IV**

#### **Future work of the Committee**

103. The Committee will continue to align its work programme with the needs and priorities established by the Economic and Social Council, with a view to contributing effectively to the deliberations of the Council and assisting it in the performance of its functions. At its twenty-second session, the Committee will work on the theme that is adopted for the 2023 session of the Council and the high-level political forum on sustainable development and prepare policy recommendations on the governance and institutional aspects of that issue. The Committee will again invite voluntary national review countries and voluntary local review cities to share their experiences and views on promising practices in implementing Sustainable Development Goals 16 and 17, taking into account interlinkages with all the Goals.

104. The Committee reaffirmed that the principles of effective governance for sustainable development, endorsed by the Council in July 2018, continued to provide a useful cross-cutting and interconnected framework for its work. Subnational perspectives could also become a cross-cutting component of the Committee's future policy analysis. Similarly, in preparation for and during the next session, the Committee could consider pursuing interdisciplinary approaches to the items on its agenda. Its analysis of problems, to the extent possible, could be accompanied by actionable advice on policy solutions.

105. The Committee decided to continue the practice of organizing informal intersessional working groups to prepare the groundwork for its next session, bearing in mind the need to produce technical and expert analysis, assessments and policy recommendations to inform efforts to implement the 2030 Agenda, as stipulated in General Assembly resolution 72/305.

106. The ongoing contribution of observers was welcome, as was the Committee's dialogue with youth organizations. Further attention could be given to ways of further improving interaction with observers, for example through expanded member engagement with academic networks and communities of practice on specific agenda items during the intersessional period.

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

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### Annex

### **List of documents**

Agenda item	Title or description
2	Annotated provisional agenda (E/C.16/2022/1)
3	Note by the Secretariat transmitting the expert paper on transforming institutions and governance to build forward better towards 2030 (E/C.16/2022/2)
3	Contribution by the Committee to the 2022 thematic review of the high-level political forum on sustainable development
4	Note by the Secretariat transmitting the expert paper on institutional challenges and opportunities related to climate change and the protection of natural resources (E/C.16/2022/3)
4	Background paper on building strong institutions for addressing climate change and for the sustainable management of natural resources
5	Note by the Secretariat transmitting the expert paper on institutions and State-building in conflict-affected settings: the case of Afghanistan (E/C.16/2022/4)
6	Note by the Secretariat transmitting the expert paper on the application of the principles of effective governance for sustainable development at the subnational level ( $E/C.16/2022/5$ )
7	Note by the Secretariat transmitting the expert paper on transparent and participatory budgeting for the Sustainable Development Goals (E/C.16/2022/6)
8	Note by the Secretariat transmitting the expert paper on questions of public sector workforce capacity and legitimacy in relation to the achievement of the Sustainable Development Goals (E/C.16/2022/7)
9	Note by the Secretariat transmitting the expert paper on digital governance challenges and prospects for building forward better (E/C.16/2022/8)

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