

# **New Aspects of Public Administration within the European Commission**

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## **Abstract**

A modern and efficient administration within European Commission can mean different things to different people. However, at European Commission, it is an administration based on the principles of efficiency, transparency and accountability. Over the past six years, the Commission and its staff have been engaged in the task of overhauling its administrative systems and procedures, the management of financial and human resources, and the way in which it plans and programmes its activities. This resulted in the most radical internal modernisation since the European Commission was established in 1958. More information about its distinctive elements, policies and actions including career management and equal opportunities, which contribute to making the Commission a modern administration, will be described in the conference papers.

### **1. Introduction**

The term “European Commission” (EC) refers in the first instance to the 27 Commissioners appointed by the EU Member States after approval by the European Parliament. However, the “Commission” also refers to the institution and its approximately 32,000 staff. If somebody finds it as a big number then this person has to consider that EC staff is responsible for a wide variety of policy areas and activities and that is just as big as the local authority of a medium-sized European city. It is difficult to sketch a picture of an average Commission official, coming from such a wide range of cultural, linguistic, social and ethnic backgrounds. This diversity reflects the very diversity of the European Union itself, making the Commission a melting pot of European languages and cultures.

The most important factors which keep this kind of administration effective and other aspects regarding career management of EC staff will be in detail presented in the following chapters.

### **2. A modern administration**

The Commission has four distinct and equally important functions:

- to draft new laws and regulations, which are then submitted to the European Parliament and the Council for debate and decision;
- to take charge of the day-to-day management of EU policies and activities (from farming and food safety to protecting consumers from being ripped-off by unscrupulous firms);
- to make sure that the laws adopted by the Council and the Parliament are applied correctly and even-handedly in all EU countries (jointly with the Court of Justice);
- to represent the European Union on the international stage, for example by negotiating agreements between the EU and other countries.

Globally, EC staff is involved in everything the EU does in one way or another. When the EU was first created in the 1950s, EU countries focused on cooperating mostly on trade and economic issues.

However, recently the EU also deals with many other subjects of direct importance for everyday lives of EU citizens, such as citizens’ rights, ensuring freedom, security and justice, job creation, regional development, environmental protection and making globalization work for everyone. Civil servants work within operational

departments, called Directorates-General (DGs). Each DG is in charge of a specific policy area: agriculture, competition, economic and financial affairs, etc. Every DG comes under the responsibility of one of the Commissioners, who is assisted by his/her private office or 'cabinet'.

Over the past six years, the Commission and its staff have been engaged in the task of overhauling its administrative systems and procedures, the management of financial and human resources, and the way in which it plans and programmes its activities. This resulted in the most radical internal modernisation since the European Commission was established in 1958. The most important factors of EC administration which makes it a modern administration are following:

1. Efficiency
2. Transparency
3. Ethics and conduct
4. Equal opportunities
5. e-Commission
6. Environmental friendliness
7. Multilingualism

## **2.1. Efficiency**

Efficiency in this context means establishing priorities and allocating resources, professionalising Human Resources, decentralising financial management and simplifying tools and procedures.

To ensure that EC staff can deliver on present and future demands, they need to set clear priorities and make sure that the necessary resources are made available. In practice, EC Civil Service has implemented a strategic planning, programming and reporting cycle, which starts with an orientation debate of the 'college' of Commissioners, followed by the Annual Policy Strategy decision in which the Commission decides on its policy priorities for a year, its key initiatives and the orientations for the resource allocation process and the operational programming by the services. The basic concepts are simple: to establish priorities, discuss them with Parliament and Council, plan in the Directorates-General and present a Work Programme, execute it and then report on the results.

In line with this approach, non-core tasks have increasingly been outsourced to executive agencies and to administrative offices, in order to allow Commission staff to concentrate on essential tasks.

Staff of the Commission is its greatest asset and to be efficient requires an efficient human resources management. On 1st May 2004, the new Staff Regulations, which is the main legislative text on staff's rights and obligations, entered into force, completing a far-reaching modernisation of the Commission's human resource policy. Amongst the major changes:

- a new career structure, which recognises and rewards proven ability and performance;
- a new appraisal system, which creates a closer link between objective annual assessments and career evolution;
- a culture of lifelong learning;
- new mobility rules, which encourage staff to change their positions every two to five years. Top and middle managers and staff in sensitive posts (e.g. awarding of contracts and grants, etc.) must change their positions every 5 years;
- new rules and procedures for the selection, appointment and appraisal of top officials (Directors-General and Directors);
- new rules for Commission staff who are not permanent officials (contract and temporary agents, seconded national experts) have also been revised.

Simplification & decentralisation of the departments were the guiding principles when the Commission decided to modernise its financial management system. Decentralisation was particularly important as under our old system of financial controls, every transaction had to be approved by a central financial control, which was often far removed from the service managing the activity in question. Nowadays, those who authorise expenditure and payments are now personally liable for their actions. Central Financial Service gives central professional support and advice to anyone dealing with budgetary and financial management. Separate Internal Audit Service provides reassurance as to the sound functioning of the control over operations at Commission level. On 1st January 2005, EC moved to accrual accounting, thereby complying with the international

accounting standards for the public sector developed by the International Federation of Accountants (IFAC)(Bauer, Knill, 2007).

The simplification of internal procedures mostly followed a bottom-up approach, which involved staff across the different departments. As a result, EC Civil Service reviewed several internal procedures (e.g. delegation procedure, inter service consultations, linguistic aspects of decision-making procedures), which led to a major overhaul of the Commission's Manual of Operating Procedures in 2003. This process has been accompanied by a number of initiatives to implement leading web-based solutions in the areas of human resources and financial control. Digital technologies enable to exchange information more effectively, radically transforming the way EC staff communicates among their services and with their partner institutions, citizens and civil society groups.

## **2.2. Transparency**

Transparency in public administration has become an essential issue on the political agenda over the last ten years, and not only in the European Institutions. In 2001, the Commission's White Paper on European Governance said that transparency is necessary to achieve a participative democracy and to ensure legitimacy and accountability of a public administration (Wakefield, 2007). In 2005, Vice-President Siim Kallas launched a European Transparency Initiative in response to calls from both public and private bodies from various fields of expertise. More recently, in May 2006, the Commission approved a Green Paper on Transparency inviting broader debate. The consultation period took place from May to August 2006.

Every citizen of the European Union has the right to access Commission documents. A public register of documents has been made available online. General information on the EU is available via an extensive network of information centres and contact points set up for the public, the Europe Direct Call centres and the EUROPA website.

Transparency in the legislative process has been made by simplification and improvement of the regulatory framework, promotion of a culture of dialogue and participation - the 'Your Voice in Europe' website is the European Commission's single access point to a wide variety of consultations, discussions and other tools that enable European citizens to play an active role in the European policy-making process and impact assessments for new legislation, making it easier to understand the rational behind the different decisions.

## **2.3. Ethics and conduct**

In terms of explanation, Commission staff is expected at all times to act objectively and impartially in the Community interest and for the public good. In practice, they operate within a framework of rules that govern their professional lives. These include largely common-sense standards of conduct that are expected from civil servants whose independence and sense of public responsibility are fundamental to carrying out their duties correctly. The rules in question are contained in the Staff Regulations, detailed implementing rules, and a specific code of conduct.

Openness and transparency are the leitmotifs which guide relations EC staff with the public. Overviews of the initiatives which have been undertaken in this field are described in the transparency section. In carrying out respective activities EC staff has to respect the Code of Good Administrative Behaviour, which has been in place since October 2000. This code specifically governs the way in which EC staff should deal with the public and aims to ensure a high-quality public service. The rules include a deadline of 15 working days for replying to public correspondence. Replies should be in the language of the correspondent, if this is one of the European Union official languages.

In order to avoid conflicts of interest and external activities, EC Staff may not accept favours or gifts from third parties without obtaining prior permission. They must not have an interest in any businesses or organisations which have dealings with the EU Institutions if this has the potential to compromise our independence. Any outside activities must first be approved and they must also inform employer if and how concerned spouse is employed (Pollitt, van Thiel & Homburg, 2007). It is also required to inform employer if, in the performance of duties, member of EC staff is called upon to decide on a matter in which has a personal interest which might impair EC's impartiality.

Member of EC Staff has the right to freedom of expression, with due respect to the principles of loyalty and impartiality. If member of EC staff intends to publish any matter dealing with the work of the institutions,

he/she is duty bound to inform our employer in advance. At the same time, and for obvious reasons, he/she cannot divulge restricted information and we enjoy immunity from legal proceedings relating to our work for the institutions. Of course, when it comes to proceedings before national courts (civil or criminal) relating to his/her private life, member of EC is subject to the same rules as any other EU citizens. Commissioners are not above these principles: they have to declare their interests and are bound by a specific code of conduct for Commissioners (van der Hoek, 2005).

Regarding financial liability of staff, the Staff Regulations stipulate that member of EC staff may be required to make good, in whole or in part, any damage suffered by the Communities as a result of serious misconduct in connection with the performance of his/her duties. Financial liability may thus be invoked where a member of staff has breached a legal obligation, caused financial damage and is guilty of deliberate misconduct or gross negligence. Of course, all surrounding circumstances are taken into account before any decision may be taken.

Safeguards ensuring high professional standards are administrative inquiries and disciplinary procedures. The disciplinary system applies to any failure to comply with obligations under the Staff Regulations, whether intentionally or through negligence. The Commission's Investigation and Disciplinary Office (IDOC) conducts impartial administrative inquiries and prepares disciplinary proceedings. IDOC deals with all matters falling outside the remit of, or not already being investigated by, the European Anti-Fraud Office (OLAF). Ultimately administrative enquiries may lead to the opening of disciplinary proceedings. These can lead to a range of financial or non-financial penalties proportional to the misconduct in question. Financial penalties could involve a delay in advancement to a higher salary step, removal from post, or reduction of pension.

'Whistle blowing' is also another safeguard policy to avoid professional misconduct (Bossaert, Demmke, 2005). Based on the new Staff Regulations, member EC staff is duty bound to report possible fraud or corruption, detrimental to the interest of the Communities, or a serious failure to comply with professional obligations, either within the Commission or directly to OLAF. Member of EC staff may also report the matter outside the Commission, to the other European Institutions, provided EC Civil service acts in good faith and allow OLAF a reasonable period to react (European Ombudsman, 2005).

Regarding professional incompetence, the Commission's annual staff appraisal monitors achievements, skills and conduct. If a member of staff finds it difficult to meet the standards required, he/she will be expected to follow a remedial coaching programme, which includes specific targets to be achieved within a certain time frame. In the worst case scenario, where underperformance persists after efforts to remedy the situation have been exhausted, a dismissal or downgrading procedure can be launched under article 51 of the Staff Regulations.

## **2.4. Equal opportunities**

Staff of European Commission is committed to a strong policy of equal opportunities which is enshrined in its Staff Regulations. In the application of these Staff Regulations, any discrimination based on grounds such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation shall be prohibited.

### **2.4.1. Gender equality**

Action programmes on equal opportunities, including programmes to promote women in management positions, have been run since 1988. The 4th Action Programme for equal opportunities for the period 2004-2008 is currently being implemented. More generally, equal opportunities are encouraged through the Commission's flexible working conditions which are designed to help staff reconcile their professional and private lives and care for a family.

### **2.4.2. People with disabilities**

EC Civil service has a positive attitude towards disability and is committed to ensuring that all properly qualified EU citizens benefit from the same opportunities in employment, based solely on their skills and ability to carry out the tasks associated with the position in question, including, when necessary, making adaptations to their working environment. A code of good practice for employment of people with disabilities has been implemented since November 2003.

### **2.4.3. Ethnic diversity**

Racial discrimination of any kind is prohibited under the Staff Regulations and the mix of staff in the EU Institutions has to reflect racial and ethnic patterns of EU citizens.

#### **2.4.4. Fight against harassment**

Everyone who works at the Commission has the right to the respect of their personal dignity and the dignity of their position, and more specifically, the right to work in an environment free of all forms of psychological and sexual harassment.

#### **2.5. e-Commission**

Information and Communication Technologies are at the very heart of every modern administration. In this field, the Commission has always been very active in trying from the very beginning to promote the transformation of public administrations into e-administrations. In practice, the e-Commission initiative has its origins in the Reform White Paper (Davies, 2007). It is about how the Commission can deliver better, more cost-effective, transparent and secure services to staff, partner administrations, business and citizens. The Commission has adopted a strategic framework, "e-Commission 2006-2010", aimed at becoming a first class e-administration in order to improve its efficiency and transparency through the best use of Information and Communication Technologies (ICT).

#### **2.6. Environmental friendliness**

Since 1993, European companies have been able to evaluate report and improve on their environmental performance with the European Union's Eco-Management and Audit Scheme (EMAS). In 2001 the scheme was extended to cover public and private organisations alike and the Commission made the political decision to practice what it preaches and to apply the EMAS Regulation to its own activities. In 2005, four Commission Directorate-Generals and services obtained EMAS certification for greening their daily activities. They pave the way for other services in the near future. Through the EMAS certification, the Commission has now joined the increasing number of European public authorities in their drive towards better environmental management of resources and processes in agreement with the principles of sustainability and sustainable development.

Commission buildings are located at different sites. Just in Brussels, there are more than 50 buildings. This means that Commission staff often has to travel from one Commission location to another during the course of the day for meetings. Nearly 200 service bikes are available in Commission buildings to encourage staff to travel around Brussels in an environmentally friendly way and get fit at the same time. Over 10,000 trips were made on these bikes during 2004. The Commission has also made special agreements with the Brussels public transport company (STIB/MIVB) and free or reduced-price travel on three special bus routes which travel between the Commission buildings and between central Brussels and its airport. This helps officials avoid unnecessary car journeys.

The Commission's flagship Berlaymont building which re-opened in November 2004 has many ground-breaking environmental aspects. This includes a water recuperation system which captures rainwater and uses it in plant irrigation and sanitary systems. It also has a gas-fired combined heating and power system and features such as motion-sensitive light sensors in each office, which help save energy by ensuring that lights switch off automatically when the room is not occupied. Since 2004, internal building-related rules ensure that existing buildings comply with high environmental standards as far as possible within the constraints of the continuous upkeep of EC buildings and that new buildings which were purchased also comply with strict environmental requirements.

Employees of EC live and work as members of a wider community. Just to mention one example: the Commission is working together with the Belgian federal and Brussels regional government to regenerate the "Quartier Schuman" in Brussels (Demmke, 2005). By encouraging a good mix of commercial, residential and administrative buildings, the European Quarter can once again become a viable, sustainable and vibrant place to live and work.

In the past four years, the Commission has more than halved the amount of pages it prints a year. By drastically reducing the unnecessary printing of official documents, print runs have fallen from 220 million pages in 2000 to 37 million in 2003. Members of EC Staff save roughly 36 million pages per year by no longer printing our internal vacancy notices, 50 million pages through a more targeted distribution of internal information notices and another 100 million pages per year by no longer printing an internal phone directory. Cafeterias and restaurants have sold a range of 'sustainable development'/fair trade products since 2003. Each

Commission building has recycling bins for plastic and metal bottles and containers. The Commission recycles 100% of all its electronic waste. In Belgium, old computers are donated to Belgian charity Oxfam Solidarité. In 2002, 12,000 computers were recycled this way (European Commission civil service, 'A modern administration').

## **2.7. Multilingualism**

In an EU of 27 countries and more in the near future, it is clear that multilingualism plays a major role in our everyday activities. The European Union has at present 23 official languages. Therefore, meetings involving people from different countries, documents, communications or any other kind of information which comes from the Commission may require interpretation or translation into a number of languages. This is essential so that European citizens can have access to information about the EU in a language that they understand.

In practice, the Directorate-General for Interpretation provides interpreters for more than 11,000 meetings every year. Interpreters make it possible for people who do not share a language to understand and communicate with each other. The Directorate-General for Translation translated 1,324,231 pages in 2005 (European Commission civil service, 'A modern administration').

On the other hand, the 25,000 civil servants at the European Commission also need to be able to work together and understand each other. Therefore, European Commission has three working languages: English, French and German. This means that work within the Commission can be carried out in one of these three languages. Practically speaking, you will often hear a mixture of English, French and German during our internal meetings and people will express themselves in the language in which they feel most comfortable.

## **3. Career Management**

From theoretical point of view, career management is planning and shaping the progression or movement of individuals within an organisation by aligning employee preferences and potential with organisational resources needs. Within the Commission the Vade Mecum on Career Guidance sets out what is meant by a Career within the Commission, i.e. the pattern or sequence of work roles of an individual throughout their working life. The Commission has a role to play in Career Management by supporting and encouraging career development within the environment of the Commission. Whilst identifying the numbers and types of staff, skills, competences and experiences needed to achieve its goals it can offer individuals careers by providing flexible and realistic career options, honest feedback, opportunities for career exploration and planning as well as career guidance at a local or central level.

### **3.1. Career path**

The Commission's career system consists of a single pay scale with 16 grades. Within this pay scale, Assistants (AST) can occupy grades 1 - 11 while Administrators (AD) can occupy grades 5 - 16. Each grade has five 'seniority steps': employee can automatically advance through these steps according to your seniority in the Commission. In order to move up one step every two years until staff member is promoted to the next grade or until he/she reaches the last step in the grade. The very top grade (AD 16) has just three seniority steps.

EC has a policy of life-long learning, and as part of the appraisal process, every employee will draw up a personal training map with her/his manager, which is tailored to your specific needs.

Officials who join the Commission in the assistant's category can pass to the administrator's category by following the certification procedure. This allows selected staff members who have demonstrated the potential to do administrator tasks to follow a set of mandatory training modules and sit final exams. If they succeed, they are able to apply for administrator posts.

### **3.2 Benefits**

Basic monthly Commission salaries range from around €2,300 per month for a newly recruited AST 1 official to around €16,000 per month for a top level AD 16 official with over 4 years of seniority. Each grade is broken up into five seniority steps with corresponding salary increases. Basic salaries are adjusted annually in line with inflation and purchasing power in the EU countries. The complete salary table is available in the Staff Regulations (Article 66).

The basic monthly salary is just the starting point. It is important to count with the entitled allowances, minus social security contributions (pension, health and accident insurance) and other taxes (income tax and a special EU levy).

There are several types of allowances. If member of staff has left home country to come and work for the European Commission, he/she is entitled to an expatriation allowance equivalent to 16% of basic salary. Some family-related allowances are available to Commission officials according to their family situation. These include a household allowance, a dependant child allowance, an educational allowance and a pre-school allowance. These allowances can help to cover the costs of looking after a family while working for an international organisation. (Staff Regulations, articles 62 to 71 and annex VII).

With regards to pension, EU officials normally reach retirement age at 63, but it is possible to take early retirement with a reduced pension from the age of 55, or to work up until the age of 67. Pensions are paid as a percentage of the final basic salary. Officials accumulate 1.9% pension rights every year and are entitled to a maximum pension of 70% of their final basic salary. (Staff Regulations, articles 77 to 84 and annex VIII). Staff can apply to transfer the pension rights they already have from a previous job or as a self-employed person. Similarly, member of staff can also transfer the pension rights, which has gained while working at the European Commission into another pension fund. (Staff Regulations, articles 11 and 12 of annex VIII).

European Commission official and his/her family are entitled to benefit from the Joint Sickness Insurance Scheme of the European Communities, which covers medical expenses at a reimbursement rate of 80% for most kinds of treatment (subject to maximum limits). In addition is also covered by accident insurance and insurance against occupational diseases.

As a European civil servant, your salary is not subject to national income tax. Instead, salaries paid by the Commission to its officials are directly subject to a Community tax which is paid directly back into the EU's budget. This tax is levied progressively at a rate of between 8% and 45% of the taxable portion of your salary. An additional special levy is in place until 2012 (Staff Regulations, Article 66).

Commission officials are entitled to annual leave of 24 working days. On top of this entitlement, they also may be granted leave for time spent travelling between their home country and the place of work. In addition to annual leave, there are rules for special leave for marriage, moving house, death of relatives or serious illnesses, births, etc. In exceptional circumstances, there is a possibility to have unpaid leave on personal grounds (Staff Regulations, Articles 57 to 61 and Annex V).

Many of these measures were introduced or improved when the new Staff Regulations came into effect in May 2004. In particular, mothers are entitled to 20 weeks maternity leave and fathers 10 days paternity leave on the normal salary, while 6 months parental leave per child is available on a basic monthly allowance (Staff Regulations of Officials of the European Communities).

#### **4. Conclusion**

The European Commission is one of the European institutions participating in the decision-making process of the Union. Its role is not always clear for the public. New aspects of public administration within European Commission ensure that this administration is transparent, efficient and provides equal opportunities to everybody. Civil servants at work are expected at all times to act objectively, impartially, in the Community interest and for the public good. In practice, they are bound by specific codes of conduct, rules and principles with regard to their activities and their relations with the public, the press and civil society.

All staff employed within the Commission has a career and the Commission expects staff to take responsibility for their own careers and to develop them. Career development is a life-long process which includes choosing an occupation, getting a job, growing in a job, changing jobs, possibly changing careers, and eventually retiring. Careers are owned by individual members of staff and therefore the primary responsibility for managing individual careers falls to the individual. Members of staff can best manage their careers on a continuous basis. This entails identifying career goals, career strategies and a career action plan and reviewing that on a regular basis.

In conclusion, promotion of democracy and good governance, including an efficient and effective public administration, is among the best ways to ensure that the values of freedom, equality, solidarity, environmental protection, and shared responsibility are respected.

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