

Institutional Arrangements of National Development Plan 2007-2013 – Intention, Practice and Future Prospects

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Abstract. The aim of this article is to analyse institutional arrangements of the National Development Plan 2007-2013 by performing a desk research on theoretical aspects, previous studies, policy planning documents, legislation and reports on the implementation of NDP. It is concluded that the approved NDP did not state several important aspects that were planned to be included, *inter alia* achievable results, implementation instruments and financing. It is proposed that in the future NDP should be drafted as a national investment programme or the EU funds planning document.

Keywords: development planning, national development plan, policy planning, public administration.

INTRODUCTION

Public administration is the institutional arrangements for the provision of public services. *Institutional arrangements* is a general term to denote the complex of agencies, authorities and enterprises, the formal rule structures, sets of instruments, and conventions of behaviour which describe the organisational means of public services [1]. So the main elements that shape institutional arrangements are organisations, policy planning, legislation to implement policies and the culture of the governance.

Every organisation tends to achieve excellence. According to several authors (Morton, D. R., Polit, K. & Bukert, G., Osborne, D. & Gaebler T.) *excellence in public management* is characterised by orientation towards results, optimisation of public administration organisation, public management values and the creation of cooperation networks within the public administration. Orientation towards results derives from strategic management discipline (setting of the mission, vision and goals, constant improvement of quality, self-evaluation and evaluation of client satisfaction etc.), optimisation of public administration organisation based on new public management discipline which foresees wide application of private sector methods in public management (leadership, decentralisation, team-work, flexibility, competition, outsourcing, deregulation, organisational culture etc.). The main public management values are informing and involving of inhabitants, professionalism, productivity, legitimacy, responsibility, accountability, creativity, honesty, openness, solidarity, confidence, self-evaluation, self-education, equality, information society and civil society, whereas the creation of cooperation networks imply benchmarking, corporate social responsibility, public-private partnership, flat organisation, horizontal cooperation, involvement of academic

and non-governmental sectors, respect for diversity and synergy [2].

The above mentioned principles and methods are stipulated in the Latvian legislation, first of all in the State Administration Structure Law that determines the institutional system of the state administration and the basic provisions regarding the operation of state administration, and public administration policy planning documents of the last decade - Strategy, Programme and Plan of State Administration Reforms 2001-2006 (approved in 2001), Guidelines for the Development of Policy Planning System (approved in 2006), Guidelines for the Development of State Administration Policy 2008-2013 (approved in 2008) and The Action Plan for Optimising State Administration System and the Civil Service (approved in 2009) [3-7].

The authors believes that the Strategy of State Administration Reforms 2001-2006 is the most comprehensive, qualitative and with regard to its content still topical policy planning document in public administration policy. The strategy is based on the assumption that the establishment of modern public administration has the following preconditions: the ability of the government to define future-oriented development policy, to ensure that the actions are planned and resources are allocated according to state development priorities, to encourage the evaluation of actions according to planned results, to promote the independence and responsibility of public managers, as well as to increase the professionalism, motivation and ethic behaviour of civil servants.

So the formulation of state development policy is the core element to establish an effective public administration. However, studies of national development planning and management system in Latvia reveal that national development planning in Latvia remains strictly sectoral, it lacks synergy and sector policies run a risk to contradict each other. Mechanisms for integration of sector and territory development priorities have not been established, therefore sector policy planning documents lack territorial dimension. Moreover, national development planning documents are rarely implemented because the link between development planning and budget planning is still not sufficient. Last but not least, the coordination, continuity and relevance of the national development planning system are impeded by the lack of political leadership in implementing a unified development planning system [8-12].

Policy planning documents have also outlined the above mentioned weaknesses and have proposed solutions. The need to define medium and long-term state development vision and promote horizontal coordination of sectoral policies has been acknowledged in order to analyze interaction of sectoral policies and importance in the state development, enable the creation of long-term development programmes, promote coordinated actions in common interests of states, as well as to reduce the overlapping of competences to diminish unsuitable use of public resources. It has been stressed that the establishment of medium term state development priorities is crucial to implement medium-term sector strategic planning and medium-term budget planning [5-6].

The National Development Plan 2007-2013 (hereinafter – NDP) was foreseen as an instrument to address the above-mentioned weaknesses of national development planning process. Still the implementation of NDP is not considered to be successful [13]. The intention and practice of the process of drafting, implementing, monitoring and evaluating NDP is examined in detail in the next section.

INSTITUTIONAL ARRANGEMENTS OF NATIONAL DEVELOPMENT PLAN 2007-2013

A. Policy planning documents

The aim of this subsection is to provide an analysis of policy planning regarding NDP. The main important policy planning documents regarding national development planning are Strategy, Programme and Plan of State Administration Reforms 2001-2006 (approved in 2001) and Guidelines for the Development of Policy Planning System (approved in 2006).

Regarding the type of document, which should stipulate state development policy priorities, Plan of State Administration Reforms 2001-2006 proposed that Government Action Strategy should be the document that states main priorities of the government and achievable results. In accordance with Government Action Strategy, sectors should develop their Institution Actions Plans for five years. These action plans would be integrated into budget planning process. In addition, when implementing medium term budget planning, development expenditure should be separated from base-line expenditures and additional financing should be allocated to programmes and projects that comply with state development priorities stated in the Government Action Strategy. Moreover, state development priorities should be taken into account when granting financing to research ordered by public administration. The monitoring would be made by yearly reports on the implementation of medium term priorities form Cabinet of Ministers to the National Parliament [5].

In the year 2006 Guidelines for the Development of Policy Planning System introduced the concept of NDP as the most important mid-term policy planning document which states national development priorities and action lines to implement them. All other policy planning documents are to be subordinated to NDP, including the EU funds planning documents.

The implementation of NDP was to be ensured via sectoral policy planning documents. However, no direct link between policy planning and budget planning was proposed. The coherence between policy and budget planning was to be ensured by additional policy planning document - Institution Action Plans. Institution Action Plans should act as a compromise between sectoral policy planning documents and budget resources allocated to the sector in the current and next two years by the Medium-term Macroeconomic Development and Fiscal Policy Framework. Institution Action Plans should also include New Policy Initiatives – proposals for additional budget financing to implement policy planning documents and legislation approved in the previous year. Proposals are to be ranked according to several criteria, including compliance with National Development Plan and Government Declaration, and financed in accordance with available budget resources. The coordination and monitoring of the implementation of NDP was planned by issuing statements about the compliance of policy planning documents with NDP, as well as by yearly monitoring reports.

The guidelines also stressed the need to optimise national performance measurement indicator system, which consists of weakly connected performance measurement indicators included in the policy planning documents, budget planning documents and institution action plans. It was proposed that a unified system of performance measurement indicators should be established to provide government with up-to-date, comprehensive and analytical information about state development tendencies [6].

Sustainable Development Strategy of Latvia until 2030 (approved by the National Parliament in July 2010) states that NDP is its most important implementation instrument and shall be implemented via development policies of sectors and territories (regions, local governments), including investment programmes of the state and local governments and instruments of the EU policies and other financial sources. In addition, according to the strategy stated in Sustainable Development Strategy of Latvia until 2030 and NDP and taking into account medium term economic and fiscal outlook, government shall prepare its actions strategy for the duration period of the National Parliament (4 years). An independent research facility should be established to grant high level expertise and advisory activities on development of the national economy. The Sustainable Development Strategy of Latvia until 2030 also stressed that additional mandate shall be granted to the organisation responsible for cross-sectoral development planning, it also stressed the need to involve the National Parliament in the state strategic planning processes. The work of consultative councils in the Cabinet of Ministers and the National Parliament, as well as public discussions and other forms of society involvement should be continued and extended [14].

As we can see from the above mentioned policy planning documents, implementation of the national priorities was foreseen in two ways: 1) through sectoral policy planning documents which are integrated into budget planning process

when elaborating Institution Actions Plans and 2a) through the allocation of additional budget resources by separating part of the budget expenses to development programmes and projects inventing medium term state development programme according to the Strategy in 2001 or 2b) through the allocation of additional budget resources to new policy initiatives according to the Guidelines in 2006 (Fig. 1). The authors guess that such shift in proposals for linking budget planning with policy planning could be explained by the fact that since 2004 the majority of state investment have been planned during a separate planning process – EU funds planning – that has not been discussed in much detail in the above mentioned policy planning documents.

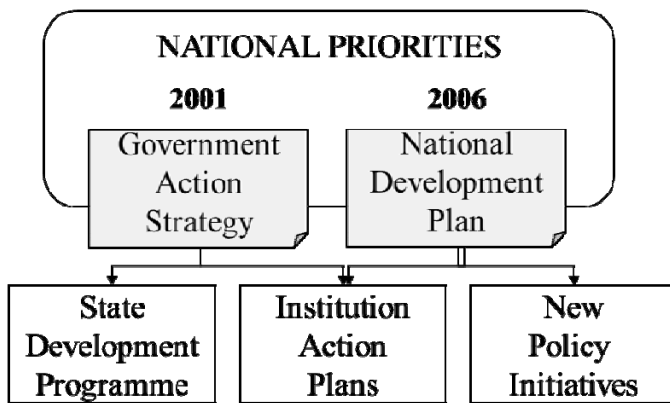


Fig. 1. Comparison of proposals for the implementation of the national priorities in 2001 and 2006. Source: based on [5;6].

Regarding the coordination and monitoring of the national priorities all three documents propose that regular reports should be drafted. The only exception is that the proposal of Strategy in 2001 was that the Cabinet of Ministers should report to the National Parliament, whereas the Guidelines in 2006 proposed that the responsible ministry should report to the Cabinet of Ministers thus reducing the role of the National Parliament in monitoring the implementation of the national medium-term priorities. Yet in 2010 the Sustainable Development Strategy of Latvia until 2030 again stressed the need to involve the National Parliament in the state strategic planning processes.

B. NDP preparation documents

The aim of this subsection is to provide an analysis on NDP preparation documents. Methodology for drafting NDP (approved in September 2004 and amended in February 2005) proposed a framework for drafting, implementing, monitoring and evaluating NDP. It stated that the purpose of NDP is to set strategic development goals for sustainable and balanced development of the state and its territories and to set strategy and priorities for public investments, including those financed by the EU and private funding. It was foreseen that NDP should contain inter alia the medium term strategy (SWOT analysis, goals, priorities and achievable results), implementation instruments and the financial plan. It was specified that NDP implementation instruments should be the

EU funded operational programmes, which would be drafted according to NDP, and national programmes, financed by the central and local governments. The definition of the national programme was not provided. It was also outlined that NDP implementation instruments were going to be proposed only after decisions about the EU budget and state budget financing were approved. That does not clarify how NDP was planned to be implemented because the state budget is approved for only one-year period. To conclude, the methodology for drafting NDP did not provide detailed proposal for NDP implementation [15].

In the year 2006 an ex-ante evaluation of the first edition of NDP was carried out. This evaluation proposed several important improvements in the first edition of NDP. (1) It stressed that creation of the set of quantitative indicators that represented achievable results was crucial to ensure implementation of NDP via the EU and national budget funding. These indicators should be benchmarked to the EU and world wide indicators, cross-sectoral (empowering sectors to define sectoral level indicators), coherent, linked to economic performance indicators (first off all GDP growth), include territorial perspective and be in line with indicators that were included in already approved planning documents (first of all National Lisbon Strategy and Medium Term Macroeconomic and Fiscal Policy Guidelines). It was emphasised that a nation-wide system of performance indicators should be established (proposal about unified system of performance measurement indicators was also included in the Guidelines for the Development of Policy Planning System in 2006, see subsection II). (2) It was proposed that an evaluation of macroeconomic impacts of implementation of NDP should be made by assessing costs and benefits. The monitoring and evaluation of NDP's results should be made by high level independent analytical expertise. The monitoring and evaluation on NDP could be conducted by the Ministry of Finance or the Ministry of Economy because they already had experience in macroeconomic analysis and forecasting. (3) The importance of territorial aspects in sectoral planning was stressed by proposing that NDP should be guidelines for strategic planning and territorial layout of the sectoral policies. (4) A plan for the implementation of NDP should be drafted and should specify specific tasks, responsible institutions, implementation terms, achievable results and financing. Moreover, NDP priorities should be prioritised in time and space because resources for their implementation are limited. (5) The capacity of the public administration regarding the implementation of NDP should be raised by training, exchange of good practice and even by rotation of experienced specialists among sectors and between policy planning and policy implementation. (6) Last but not least, NDP results should be actively communicated to the public, for example by a yearly speech of the President and regular information on the radio, television and internet (special broadcast programmes, publications etc) [16].

To conclude, NDP preparation documents proposed that NDP should contain a set of cross-sectoral quantitative

indicators which should be linked to economic performance, included in the EU funds and other national level planning documents and regularly monitored by high level expertise. NDP shall also propose territorial layout of sectoral development planning and achievable results on territorial scope. Moreover, NDP strategy should be complemented by implementation plan that foresees specific tasks, responsible organisations, terms, results and financing to implement these tasks.

C. Legislation

The aim of this subsection is to provide an analysis of legislation regarding NDP. At the time NDP was drafted and approved, its status was stipulated in the Regional Development Law (approved in March 2002). Initially the law described NDP as a medium-term (seven years) regional policy planning document that stated regional policy development goals and priorities, support instruments and necessary financing. NDP shall be drafted according to the Regional Policy Guidelines and the National Spatial Plan and taking into account the development priorities set by the development programmes and territorial spatial plans of planning regions (however at the time NDP was drafted the National Spatial Plan – a long term development planning document that reflected the present and planned utilisation of the territory and the restrictions on the utilisation of such territory both in writing and graphically – was not drafted and approved). In March 2005 amendments to the law were approved. These amendments defined NDP as a medium-term (seven years) strategic planning document in which mutually co-ordinated sectoral and regional development priorities and the financial sources for the implementation thereof were stated. It was also foreseen that sectoral development programmes and development programmes of planning regions should be prepared and implemented in accordance with inter alia NDP. Moreover, according to the law regional development support measures, which were included in the NDP, should be financed from the state budget, budgets of local governments and foreign financial assistance resources, as well as from legal person and natural person resources. So the Regional Development Law defined NDP as a tool for coordinating sectoral and territorial development planning, which included also specific regional development support measures [17].

In 2009 the Law on Development Planning System as a unified law on both sectoral policy and territorial development planning came into force. The law was prepared according to the proposals included in the Guidelines for the Development of Policy Planning System (2006). The law states development planning principles, types of development planning documents, their hierarchy and interdependence, as well as the responsibilities in development planning process.

The law stipulates that Sustainable Development Strategy of Latvia is the hierarchically highest long-term development planning document and NDP – the hierarchically highest development planning document in the medium term. All regional level development planning documents are

subordinated to national level development planning documents, and local development planning documents – to both national and regional level development planning documents. According to the law NDP determines medium term sectoral and territorial development priorities, actions and sources of financing to implement them in order to implement long-term priorities and actions foreseen in Sustainable Development Strategy of Latvia [18].

However the law does not specify the place of internationally initiated development planning documents (the EU funds planning documents, National Reform Programme, National Convergence Programme etc.) in the national development planning system. At the same time the majority of state investments are made in the framework of the EU funded programmes. Moreover, in accordance with the EU level legislation the EU funded programmes shall be planned according to the strategy stated in the national reform programmes. These programmes are drafted and yearly amended in each member state to coordinate the implementation of the strategy “Europe 2020” – the European Union long term development planning document.

Regarding the financing of development planning documents the law specifies that the linkage is to be provided by Institution Action Plans (Fig. 2). However it should be noted that according to Instruction of the Cabinet of Ministers No.7 of 30 June 2008 Order of Elaboration, Updating and Evaluation of Institution Action Plans institution action plans are approved only after the adoption of the annual budget [19]. Thus policy planning is actually subordinated to budget planning, however, according to strategic planning discipline, it should be vice versa.

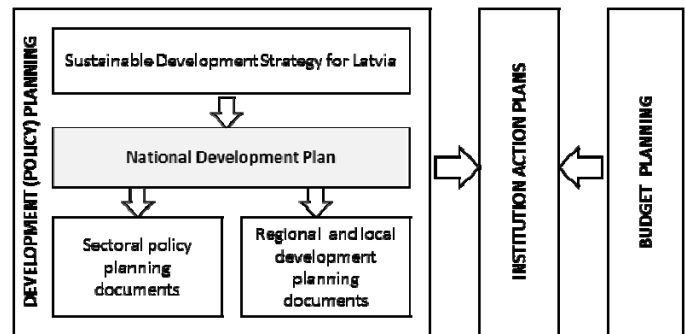


Fig. 2. National development planning system according to the Law on Development Planning System. Source: based on [18-19].

Realising the importance of linking policy planning with budget planning before the adoption of the annual budget, amendments have been proposed in the Law on Development Planning System and the Law on Budget and Financial Management by the working group established in the National Parliament. These amendments foresee that NDP shall state achievable results and financial appraisals to implement them, as well as the policy for the implementation of the EU funds and other financial assistance financing. The implementation of NDP shall be ensured by yearly updated Medium Term Budget Framework that states government fiscal policy (budget income, expenditure, maximal deficit level etc.) and

measures and results to implement the goals of NDP, including specific tasks, results and financing to achieve them for each sector. According to Medium Term Budget Framework yearly budget shall be drafted [20].

To conclude, the current legislation regarding the role of NDP in the national development planning system is complete regarding the coherence between different term and level development planning documents, but sufficient linkages between NDP and the EU funds planning, as well as the NDP and budget planning still are missing. This matter is of a great importance because allocation of proper budget resources to development priorities is an integral part of state strategic management. The proposed amendments to the legislation by the working group established in the National Parliament are in line with the current development planning system. However, the authors believe that such proposal could be implemented only if it is possible to forecasts budget expenditures for seven years period. Otherwise it is impossible to design achievable results for such a period (see also Conclusions and Suggestions).

D. Involved institutions and their functions

The aim of this subsection is to provide an analysis about organisations involved in the drafting, implementing, monitoring and evaluating NDP. The Law on Development Planning System states that drafting, monitoring and coordination of NDP shall be provided by the Prime Minister. NDP shall be approved by the Cabinet of Ministers. Regarding the coherence of development planning documents, the law states that each central government organisation (ministries and State Chancellery) shall provide that its development planning documents are coherent with hierarchically highest development planning documents - Sustainable Development Strategy of Latvia and NDP. State Chancellery provides the coordination of national level development planning documents, while the Ministry of Environmental Protection and Regional Development provides that national and regional level development planning documents are coherent with hierarchically highest development planning documents. Last but not least, planning regions provide that regional and local level development planning documents are coordinated and coherent with hierarchically highest development planning documents. Regarding monitoring of the national development planning system, the law states that once a year Prime Minister reports to the National Parliament about the operation of the national development planning system and once in two years the Cabinet of Ministers organises public discussions about state development direction, priorities and results achieved [18].

Cabinet Regulation No 565 of 29 June 2004 Procedures for the Development, Implementation, Monitoring and Public Discussion of the National Development Plan specifies that the drafting, implementation, monitoring and evaluation, as well as the organising of public discussions shall be provided by the Ministry of Regional Development and Local Government (now – the Ministry of Environmental Protection and Regional Development). NDP shall be implemented by

direct government and other organisations in accordance with the liability stated in the plan. The monitoring of NDP shall be provided by the National Development Council. The Council examines yearly report on the implementation of NDP and the proposals from organisations to improve NDP. The Council also makes decision about making amendments to NDP [21].

According to Cabinet Regulation No 830 of 7 September 2010 By-laws of the National Development Council the council is a collegial advisory authority with the purpose to ensure a co-ordination and monitoring of the state development planning. The Council was established in 2007 and is formed by the members of the cabinet, chairs of planning regions, academicians, members of indirect public administration, the National Parliament and NGOs. The council shall meet not less than four times a year. Functions of the secretariat of the Council shall be performed by the Ministry of Environmental Protection and Regional Development [22].

To provide information for the monitoring of NDP, a Cabinet Order No 120 of 12 March 2008 About Reports on the Implementation of Tasks Stated in Latvia's National Development Plan 2007-2013 stipulated responsible institutions and format for handing this information to the Ministry of Environmental Protection and Regional Development. However, this Cabinet Order was cancelled in the year 2009 [23].

To ensure the evaluation of the effectiveness of NDP implementation, with the Cabinet Order No 574 of 7 September 2007 On the Establishment of Latvia's National Development Plan's 2007-2013 Expert Forum a high level advisory expert forum was created which included academicians and members of public administration and NGOs. The work of experts shall be done within the framework of six working groups according to NDP priorities. The coordination of Expert Forum and working groups shall be performed by the Ministry of Environmental Protection and Regional Development [24].

As shown in the summary on institutions and their functions, NDP management is a liability of Prime Minister which is reasonable because NDP is foreseen to be cross-sectoral development planning document. However, according to the cabinet regulations, implementation, monitoring and evaluation of NDP is assigned to the Ministry of Environmental Protection and Regional Development which should provide that national and regional development planning documents are coherent with NDP, by coordinating the work of NDP experts, by preparing NDP monitoring reports and by performing the functions of the National Development Council secretariat (Table 1). All of these are advisory functions.

TABLE 1
SUMMARY ON INSTITUTIONS INVOLVED IN DRAFTING, IMPLEMENTING,
MONITORING AND EVALUATING NDP AND THEIR FUNCTIONS

Process	Involved institutions and their functions
Drafting and amending	Prime Minister – provides drafting (L) Cabinet of Ministers – approves (L) Ministry of Environmental Protection and Regional

	Development – provides drafting (R) National Development Council - takes decision about making amendments (R)
Implementation	Prime Minister – provides coordination (L) Central government organisations – provide that their development planning documents are coherent with NDP (L) Ministry of Environmental Protection and Regional Development - provides that national and regional development planning documents are coherent with NDP (L) Planning regions - provide that regional and local level development planning documents are coherent with NDP (L) State Chancellery – provides the coordination of national level development planning documents (L) Ministry of Environmental Protection and Regional Development – provides implementation (R) Direct government and other organisations – ensure implementation according to liability stated in the plan (R)
Monitoring	Prime Minister – provides monitoring; once a year reports to the National Parliament about the operation of the national development planning system (L) Cabinet of Ministers – once in two years organises public discussions about state development directions, priorities and results achieved; establishes the National Development Council (L) Ministry of Environmental Protection and Regional Development – provides monitoring; prepares reports on implementation of NDP; organises public discussions; performs functions of the National Development Council secretariat (R) National Development Council – provides monitoring by examining yearly reports on the implementation of NDP and the proposals from organisations to improve NDP (R) State administration organisations – provide information about the implementation of NDP tasks in accordance with liability stated in Cabinet Order No 120 (R)
Evaluating	Ministry of Environmental Protection and Regional Development – provides evaluation (R) NDP Expert Forum - ensures the evaluation of the effectiveness of NDP implementation (R) Ministry of Environmental Protection and Regional Development – performs coordination of NDP Expert Forum and expert working groups

Note: L – according to law; R – according to cabinet regulations. Source: based on [18, 21-24].

Regarding the implementation instruments of NDP, the law foresees the obligation to ensure coherence of other development planning documents with NDP, and the cabinet regulations – that organisations should ensure the implementation of NDP according to liability stated in the plan. Yet NDP does not foresee liability of organisations for implementation of specific tasks.

The tasks regarding monitoring and evaluation of NDP are stated in more detail in the legislation – the work of the National Development Council, NDP Expert Forum and expert working groups, preparation of monitoring report – but once again any proposals made during these processes are advisory in nature only.

At the same time according to the European Union Structural Funds and Cohesion Fund Management Law and the Law on Budget and Financial Management the planning and management of the EU funds and the yearly budget law is the responsibility of the Ministry on Finance with an exception of European Union Common Agriculture Policy financing which is administered by the Ministry of Agriculture.

The only point in budget planning process when NDP priorities are taken into account as one of the criteria is the evaluation of new policy initiatives – proposals for additional budget financing (Fig. 3). However new policy initiatives do not include proposals for the EU and other foreign financial assistance financing which is a separate planning process. Moreover, the drafting and evaluation of new policy initiatives happens only when financing for new policy initiatives in medium term is foreseen which is very unlikely in the coming years.

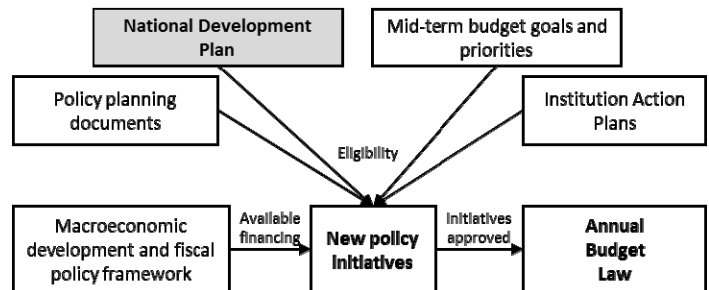


Fig. 3. Process of linking NDP and annual budget planning. Source: based on [25-26].

To conclude, the NDP implementation mechanism which is stated in the current legislation foresees that NDP shall be implemented via sectoral and regional planning documents. At the same time NDP itself does not specify the liability or organisations for implementation of specific tasks which allows infinite possibilities to interpret the allocation of responsibility. Although monitoring and evaluation of NDP is stipulated in more detail, the results of these processes are advisory in nature and do not directly influence budget and investment planning.

E. Culture of governance

The aim of this subsection is to provide an overview about the attitude toward implementation of NDP from administration and politicians, as well as to propose future actions to provide a more detailed analysis regarding this question. As outlined in the introduction to this article, conventions of behaviour are an integral part of public administration. It should show openness, willingness to participate in team-work and horizontal cooperation networks, leadership, flexibility, involvement of academic and non-governmental sectors, respect for diversity and synergy, etc. It is especially important when implementing, monitoring and evaluating such cross-sectoral development planning documents as NDP.

Still the only monitoring report on the implementation of NDP shows that current development planning and implementing is not integrated and coordinated to implement NDP strategy [13]. Moreover, the report On the Integration of

Latvia's National Development Plan 2007-2013, Macroeconomic Development and Fiscal Policy Framework 2008-2010 and State Strategic Framework 2007-2013 in a single document – Latvia's National Development Plan 2007-2013 showed that, when collecting information about the implementation of NDP tasks, in 27% cases information was not received from all responsible organisations and that 66% of organisations could not indicate financing that has been allocated for the implementation of NDP [27].

To give an insight about political involvement and leadership in implementation of NDP, review of four government declarations which have been in force since the approval of NDP in July 2006 was carried out. It shows that only one declaration which was approved in November 2006 shortly after the approval of NDP is based on the priorities of NDP. Two declarations include references to NDP, but only in parts that were drafted by the Minister of Regional Development and Local Government. The current declaration does not even include remarks about NDP [28]. This short overview shows the NDP – a medium term development planning document for seven years period - has been a political priority (at least in the form of declaration) for only about a year.

Moreover, in the last three years due to the economic crisis there have been several political initiatives to draft additional cross-sectoral medium term policy documents: Economic Stabilisation and Growth Programme of Latvia (drafted by Ministry of Finance and approved by the National Parliament in December 2008), Latvia's Strategic Development Plan 2010-2013 (drafted by Ministry of Regional Development and Local Government and approved by Cabinet of Ministers in April 2010) and Plan for Structural Reforms 2011-2014 (currently is being drafted by State Chancellery). So the average limit for a national level development planning document to be topical in political level is about a year.

Nonetheless more research is needed to find out the reasons why the implementation of NDP was not successful. The opinion of involved actors should be studied, they should answer to at least such questions: whether there has been a demand for cross-sectoral development planning document like NDP from the involved actors, whether all involved actors were satisfied with the options to participate in drafting and monitoring NDP, whether the NDP changed sectoral and territorial development policies in any way, etc.?

CONCLUSIONS AND SUGGESTIONS

NDP was foreseen to set strategic development goals for sustainable and balanced development of the state and its territories and to set strategy and priorities for public investments, including those financed by the EU and private funding. It was planned that NDP should contain not only strategy in textual form, but also a set of quantitative indicators that represent achievable results. These indicators would be then included in the EU funds planning documents and other national level policy planning documents thus ensuring the implementation of NDP. Moreover, these indicators should have been linked with economic performance thus shaping a flexible development policy framework. It was also planned that NDP would be

supplemented with NDP implementation plan that stipulates specific tasks, responsible organisations, implementation terms, achievable results and financing. In addition it was proposed that NDP should act as guidelines for strategic planning and territorial layout of sectoral policies. The implementation of the strategy of NDP and specific tasks was to be monitored and evaluated by a high level independent expertise.

Unfortunately none of this came into reality. In fact, even if NDP implementation plan had been approved, it would not have addressed the problem of weak linkages between development (policy) planning and budget planning. The responsibility for ensuring the coherence between these two processes is given to the sectors. Thus it is almost impossible to carry out unified national level development (policy) planning. Moreover, as the EU funds planning is a different planning process and it is very unlikely that national budget resources will be available for the implementation of new policy initiatives in the coming years; the status of NDP will remain as general guidelines for sectoral and regional policy planning.

As for the future perspectives of NDP, NDP shall include not only general guidelines (because long-term development guidelines are already stated in Sustainable Development Strategy of Latvia until 2030), but also specify achievable results and appraisal of financing to implement it. To set achievable results, an appraisal of available financing from the implementation of the plan is needed. Otherwise the plan becomes unrealistic before it is even approved. Moreover, a high level expertise should be involved in setting achievable results to evaluate their macroeconomic impact, coherence and interdependence.

As mentioned above, the main instruments for the implementation of NDP are the EU funds and national financing for development measures – new policy initiatives. The amount of available EU funds financing for the next EU budget framework could be more or less precisely forecasted in the next few years. But will it be possible to forecast national budget financing for the implementation of development measures – new policy initiatives – for the period of seven years? If it is possible to forecast budget expenditures for such period, it is rational to draw up NDP as a medium-term investment programme, which is highly integrated with EU funds programmes. If no, NDP shall be drafted only as the EU funds planning document, as it was done in the periods of 2004-2006 and 2000-2002 (Fig 4).

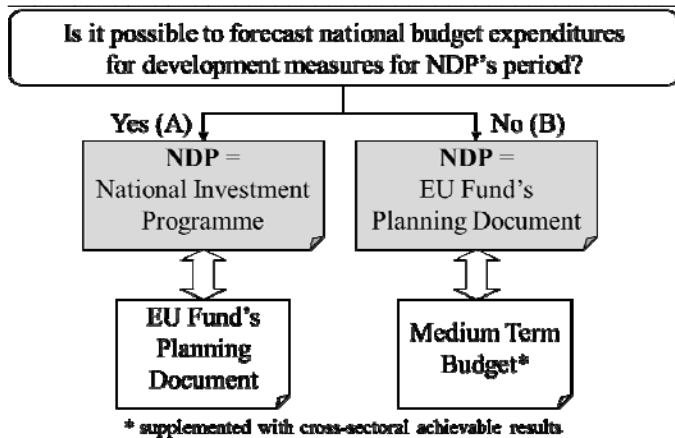


Fig. 4. Options for future NDP's. Source: made by the author.

Whereas the national budget resources for development measures should be planned in the framework of Medium Term Macroeconomic Development and Fiscal Policy Framework which could be supplemented with cross-sectoral achievable results. Such approach would diminish the need to make amendment to NDP each year because of the yearly budget planning process and also encourage synergies between state and the EU initiated development planning processes, because each year in spring the EU in partnership with member states evaluates the implementation of national reform programmes and national convergence or stability programmes and proposes amendments, if needed (the so called European semester).

Regarding the drafting, implementation, monitoring and evaluation of NDP, it would be rational to assign it to an organisation that manages NDP implementation mechanisms – obviously to the Ministry of Finance which is responsible for management of the EU funds and the preparation of medium term budget framework and yearly budget. The current approach when the implementation of NDP shall be provided as an advisory function has proved to be ineffective. Therefore, if NDP remains the responsibility of the Ministry of Environmental Protection and Regional Development or is handed to another organisation with cross-sectoral responsibility, for example State Chancellery, additional coordination and control procedures should be established in the legislation to ensure that NDP is taken into account when planning the EU funds programmes and budget expenditures. Moreover, it would be most rational to deliver the evaluation of NDP by a high level independent expertise which would also evaluate state macroeconomic outlook and fiscal policy.

Irrespective of the future of NDP, the idea of integrated development (policy) planning should not be abandoned because of bad luck of NDP 2007-2013. There are several directions that should be developed in order to encourage synergies of sectoral and territorial development policies – improvements of the methodology for drafting and implementing the EU funded programmes by encouraging synergies of different support measures and finding sources (the EU Cohesion Policy, the EU Common Agriculture Policy, other financial assistance); improvements of medium term

budget planning by setting cross-sectoral results to be achieved; improvements of government declarations transforming them to integrated development planning documents; development of regional policy by proposing a territorial layout for sectoral policies, and last but not least – team-building and capacity building activities for public servants involved in development (policy) planning.

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Alise Vitola, Maija Šenfelde. Nacionālā attīstības plāna 2007.-2013.gadam institucionālie aspekti – iecere, prakse un nākotnes iespējas

Raksta mērķis ir veikt Nacionālā attīstības plāna 2007.-2013.gadam (turpmāk – NAP) institucionālo aspektu analīzi, apskatot ieceri, praktisko izpildījumu un nākotnes iespējas. Analīze veikta, apskatot pēdējo 10 gadu laikā tapušos plānošanas dokumentus un normatīvos aktus politikas plānošanas jomā un ziņojumus par NAP īstenošanu. Secināts, ka valsts attīstības politikas definēšana ir būtisks efektīvas publiskās pārvaldes elements. NAP tika paredzēts kā visaptveroša vidēja termiņa attīstības stratēģija, kas nosaka savstarpēji koordinētas valsts un tās teritoriju attīstības prioritātes un publisko investīciju prioritātes, tai skaitā ES fondu finansējuma apguvi. Taču apstiprinātā NAP saturs ievērojami atšķiras no iecerētā, jo neiekļauj kvantitatīvus sasniežamos rezultātus, ieviešanas instrumentus un finansējumu. Sekmīgu NAP īstenošanu kavēja arī attīstības un budžeta plānošanas procesu vājā sasaiste, kas atstāta resoru ziņā, tādējādi mazinot iespēju īstenot vienotu valsts attīstības politiku. Lai nodrošinātu sekmīgu NAP īstenošanu nākotnē, NAP jāiekļauj konkrēti sasniežamie rezultāti, kas noteikti, ņemot vērā pieejamo finansējumu. Līdz ar to NAP jāveido vai nu kā Eiropas Savienības fondu plānošanas dokuments vai arī vidēja termiņa valsts investīciju programma. Pretējā gadījumā NAP neradīs pievienoto vērtību attīstības plānošanā, jo vispārēja valsts attīstības stratēģija jau noteikta Latvijas Ilgtspējīgas attīstības stratēģijā līdz 2030.gadam. Līdzšinējā NAP ieviešanas uzraudzības un novērtēšanas pieredze ar konsultatīvu institūciju starpniecību netiek vērtēta kā veiksmīga. Līdz ar to, lai nodrošinātu NAP plānošanas, ieviešanas, uzraudzības un novērtēšanas procesa sekmīgu īstenošanu, tas būtu nododams institūcijai, kas ir atbildīga par Eiropas Savienības fondu un budžeta finansējuma plānošanu, vai arī jāveido papildu mehānismi, kas dotu pilnvaras citai atbildīgajai institūcijai ietekmēt šos procesus. Papildus minētajam, integrētās attīstības plānošana sekmējama, pilnveidojot Eiropas Savienības fondu plānošanu, attīstot vidēja termiņa valsts budžetu, pilnveidojot valdības deklarācijas, kā arī stiprinot valsts pārvaldes cilvēkresursus un to sadarbības tīklus attīstības plānošanas jomā.

Алисе Витола, Майя Шенфельде. Институциональные аспекты Национального плана развития на 2007-2013 годы – замысел, реализация и перспективы

Целью статьи является анализ институциональных аспектов Национального плана развития (в дальнейшем – НПР) на 2007-2013 годы, рассмотрение его замысла, практической реализации и перспектив на будущее. Он проведён на базе нормативных актов, документов по планированию и отчетов за предыдущие 10 лет. Сделан вывод, что определение политики развития государства является очень важным элементом эффективного государственного управления. Предполагалось, что НПР явится всеобъемлющей стратегией развития на средний по продолжительности период, которая определит приоритеты государственного развития и публичных инвестиций, в т.ч. на освоение фондов ЕС. Однако утверждённое содержание НПР существенно отличается от предполагаемого, т.к. не содержит количественной оценки достигаемых результатов, не определено финансирование и инструменты внедрения. Успешное внедрение плана тормозила слабая связь между планированием развития и необходимым для этого бюджета, за что отвечали разные между собой несоординированные ведомства. Таким образом была уменьшена возможность реализовать единую политику развития страны. Чтобы исключить это в будущем, НПР в обязательном порядке должен включать в себя конкретно определенные планируемые результаты и отведенное на них финансирование. Поэтому НПР необходимо создавать или как документ по планированию фондов ЕС или как среднесрочная программа государственных инвестиций. В противном случае план не создаст добавочной стоимости в планировании развития, т.к. генеральная стратегия развития уже определена до 2030 года. Нынешний опыт по надзору и оценке внедрения НПР не является успешным. Следовательно, чтобы этот процесс планирования, внедрения, надзора и оценки НПР протекал успешно, он должен быть передан институции, которая отвечает за планирование бюджета и фондов ЕС, или же должен быть создан дополнительный механизм, дающий полномочия другой ответственной институции влиять на этот процесс. Кроме того, можно способствовать интегрированному планированию развития, совершенствуя планирование фондов ЕС, создавая государственный бюджет на среднесрочный период, а также укрепляя человеческие ресурсы в госуправлении и согласованность процессов планирования.