



Funded by
the European Union

GUIDANCE NOTE ON STRATEGIC PLANNING AND CO-ORDINATION IN **BULGARIA**

PROJECT: STRENGTHENING
THE STRATEGIC APPROACH
AND INNOVATION IN THE
CIVIL SERVICE IN
BULGARIA

Guidance Note on Strategic Planning and Co-ordination

PROJECT: Strengthening the strategic approach and
innovation in the civil service in Bulgaria

This document was produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union.

Photo credits: Cover © By EarlyPatriot, [Abstract White Red Green Black Soft Stock Illustration 2047627409 | Shutterstock](#).

Table of contents

Introduction	4
1 Supporting policy coherence by ensuring hierarchy and alignment of strategic planning documents	6
Hierarchy and alignment of strategies in OECD countries	6
Hierarchy and alignment of planning documents in Latvia	7
Streamlining and aligning sectoral strategies in Lithuania	9
Improving strategic framework in Romania	10
Strategic planning in Estonia	10
2 Linking strategic planning with the budget to better finance strategic priorities	16
Strategic planning and budgeting in OECD countries	16
Linking budgeting and strategic planning in Estonia	19
3 Strengthening the role of the strategic planning directorate to support line ministries	22
Support by the CoG to line ministries in OECD countries	22
The Strategy Unit in the Office of the Government of Estonia	24
Memoranda to Cabinet as quality control in the Government of Canada	26
Policy Development Handbook in Latvia	26
Meetings of Strategic Planners in Latvia	28
Performance management dialogue and Network of Strategic Planners in the United Kingdom	28
Guidance provided to line ministries for the elaboration of sectoral or cross-sectoral strategies in Czechia	28
References	31
Figures	
Figure 1. Importance of alignment across documents and with budget process function	7
Figure 2. Planning System in Latvia	9
Figure 3. Ensuring proper financial resources for strategic documents	17
Figure 4. Support provided by the CoG to line ministries and agencies in developing strategic plans	23
Figure 5. Revision of policy proposals, legislation and other policy documents	24

Introduction

Strategic planning guides governments towards achieving their long-term vision and delivers desired outcomes, ultimately fulfilling their promises to citizens. As highlighted in the OECD *Steering from the Centre of Government in Times of Complexity: Compendium of Practices*, setting clear vision, priorities, and plans is crucial for achieving results across the government (OECD, 2024^[1]). Beyond setting direction, strategic planning functions as a powerful prioritisation tool, ensuring balanced resource allocation across different entities of public administration. Strategic planning allows governments to address complex, interconnected priorities consistently and efficiently, especially in uncertain and volatile environments. By providing a structured approach, it helps navigate changing demands, interactions, and support, enabling proactive and adaptable governance responses.

Acknowledging the need for a more robust and coherent strategic planning framework, Bulgaria has recently implemented major changes in its strategic planning system. In 2022, the OECD *Centre of Government Scan* (OECD, 2022^[2]) provided several recommendations to enhance the strategic planning framework, including addressing the proliferation of sectoral strategic documents, and strengthening the effectiveness of policy monitoring and impact assessment.

To this end, since 2022, Bulgaria has undertaken numerous actions to institutionalise and enhance strategic planning processes in the country. As such, in November 2022, Bulgaria established the Strategic Planning Department within the Council of Ministers Administration (CoMA). The Strategic Planning Department is tasked with developing a clear legal and methodological framework for strategic planning, defining, co-ordinating and steering institutional responsibilities and processes of development, implementation, monitoring and evaluation practices of national strategic documents. Overall, interviews with government officials across the public administration during the recent OECD fact-finding missions revealed positive feedback on this new entity at the CoG, acknowledging its central role.

Most notably, the Department has recently prepared a Draft Strategic Planning Law of 2023, that aims to further institutionalise and strengthen the strategic planning system and processes in Bulgaria. As of May 2024, the Draft Law has undergone public consultations and the interdepartmental consultation procedure. The Strategic Planning Department also extends its support and assistance to the National Statistical Institute in upgrading the National Information System “Monitorstat”. Under the National Recovery and Resilience Plan, Bulgaria committed to reducing the number of its strategic documents by 40%, aligning its strategic framework with the UN Sustainable Development Goals and making all strategic documents public via “Monitorstat” by the end of year 2025.

Furthermore, in 2023, Bulgaria took steps to strengthen the Development Council, an advisory and support body to the Council of Ministers. Through the Decree No. 77 of the Council of Ministers, Bulgaria established the definition and scope of the National Strategic Framework and tasked the Development Council to undertake co-ordination of the development, implementation, reporting and evaluation of the documents within this Framework (Council of Ministers, 2023^[3]). The Strategic Planning Department is a secretariat of the Council and provides opinions on the draft documents. The Development Council also performs co-ordination, monitoring, control and reporting of the implementation functions of the National

Development Programme Bulgaria 2030. Additionally, the network of experts on strategic planning was introduced in Bulgaria in 2023 to promote capacity building activities and ensure early-stage consultation on proposed initiatives in the strategic planning system.

As part of the broader efforts to support Bulgaria in the implementation of its reform priorities, this note aims to provide guidance for strengthening Bulgaria's strategic planning framework in support to the new Strategic Planning Department. Building on the previous OECD works, the fact-finding interviews conducted in October and November 2023, and good practices from numerous OECD member countries, the guidance note supports Bulgaria threefold:

- First, addressing the **unclear hierarchy and alignment of strategic documents** will ensure coherence across Bulgaria's entire strategic planning ecosystem. This alignment guarantees that high-level priorities are reflected consistently across documents and effectively implemented by all levels of the public administration.
- Second, enhancing the implementation of strategic national and sectoral plans requires Bulgaria to **align planning instruments more effectively with budget processes**. This alignment will help ensure that plans are accompanied by a clear budget framework, facilitating the achievement of government objectives.
- Third, strengthening the Strategic Planning Department within the CoMA is essential to establish a more coherent and robust planning system. By **enhancing the support provision to line ministries**, CoMA can play a pivotal role in facilitating co-ordination and coherence within Bulgaria's planning framework.

The action was funded by the European Union via the Technical Support Instrument, and implemented by the OECD, in cooperation with the Directorate-General for Structural Reform Support of the European Commission.

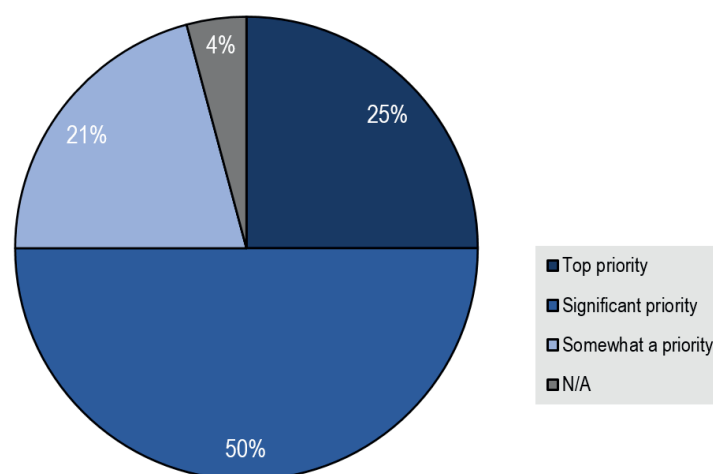
1 Supporting policy coherence by ensuring hierarchy and alignment of strategic planning documents

As concluded in the 2022 *Centre of Government Scan of Bulgaria* and confirmed in the fact-finding interviews with government interlocutors at the end of 2023, Bulgaria can further enhance the alignment of strategic documents across different timeframes to foster collaboration, thwart ineffective endeavours, and offer a cohesive vision for the nation. This includes addressing the current proliferation of documents, establishing a clearer hierarchy of documents and better aligning existing sectoral and subnational documents (OECD, 2022^[2]). Inclusive strategic planning processes where national and subnational governments work hand-in-hand, can increase both legitimacy and sustainability of policies beyond the electoral cycle (OECD, 2023^[4]). To comprehensively tackle these challenges, the forthcoming Strategic Planning Law can play a crucial role. To this end, several aspects should be considered beforehand, including embedding a clear hierarchy of documents and aligning sectoral and subnational strategies to establish a sound document framework.

Hierarchy and alignment of strategies in OECD countries

Ensuring hierarchy and alignment of strategic planning documents is an important but challenging priority for CoGs in OECD countries. In the latest *Survey on strategic decision-making at the centre of government* (2023), 75% of countries reported that the alignment both across different strategic documents and with budget processes is a significant or top priority function for their CoG (Figure.1). In practice, governments usually struggle to align medium-term and long-term planning due to a planning process largely driven by electoral cycles and different institutions involved in the development process (OECD, 2023^[5]).

Figure.1. Importance of alignment across documents and with budget process function



Note: n=24; Respondents to the survey were asked: “How much of a priority are the following functions in the CoG [Alignment across documents and with budget process]?”.

Source: (OECD, 2023^[6]), “Survey on strategic decision making at the centre of government”, Unpublished, OECD, Paris.

In response to the questionnaire, Bulgaria as 50% of the OECD member countries declared the alignment across documents and with budget process a significant priority for its CoG, using different approaches and mechanisms (OECD, 2024^[1]).

Countries have adopted different approaches to establish a sound hierarchy of planning instruments and articulate them across different timeframes. As such, Latvia embedded the hierarchy of strategic documents and results in its legal framework in order to increase policy coherence and coverage. Lithuania followed a different pattern and in its *Strategic Management Law* puts emphasis on results-orientated planning system while also integrating the sectoral level.

Hierarchy and alignment of planning documents in Latvia

After piloting the results-oriented policy planning system through two Cabinet mandated policy planning frameworks, the Latvian *Law on the Development Planning System* came into force on January 1st, 2009 (Saeima, 2009^[7]). The Law outlines development planning principles, types of planning documents, their hierarchy, and relations, as well as allocates responsibilities to institutions in the planning process. According to the Law, the national development planning documents are prepared for a long-term (up to 25 years), medium-term (up to seven years) or short-term (up to three years) period. Central to the hierarchy is a cascade of policy goals and outcome indicators.

The Law establishes a specific hierarchy across documents. It implies that shorter-term documents either emanate from higher level documents or are not incoherent with them. The system includes overarching national level planning documents, sectoral and cross-sectoral ones and requires coherence from regional and local level planning documents. Development plans are initiated by relevant national and local government authorities if the subject matter is within the institution’s remit and/or if such a planning document is required by higher level authorities, as well as laws or regulations. Planning in defence and security are the exception and are not covered by this Law.

According to the Law, Latvia’s *Sustainable Development Strategy* (currently until 2030) determines Latvia’s long-term development priorities and the spatial development prospective. The *National Development Plan* (NDP) is the country’s main medium-term development plan that includes objectives, priorities, results, directions of action, and information on responsible authorities (Figure 2). It programmes the EU and other

external financial instruments. In fact, the last two NDPs had an annex of measures with the projected amount of extra funding needed (from the national budget, EU funding and other sources) for measures to achieve the quantified outcome indicators.

The *Law on the Development Planning System* stipulates that political guidance documents, better known as the Government Declaration and Action Plan, must either be in compliance with development priorities set in development planning documents, or must state the requirement to review the development planning document under consideration.

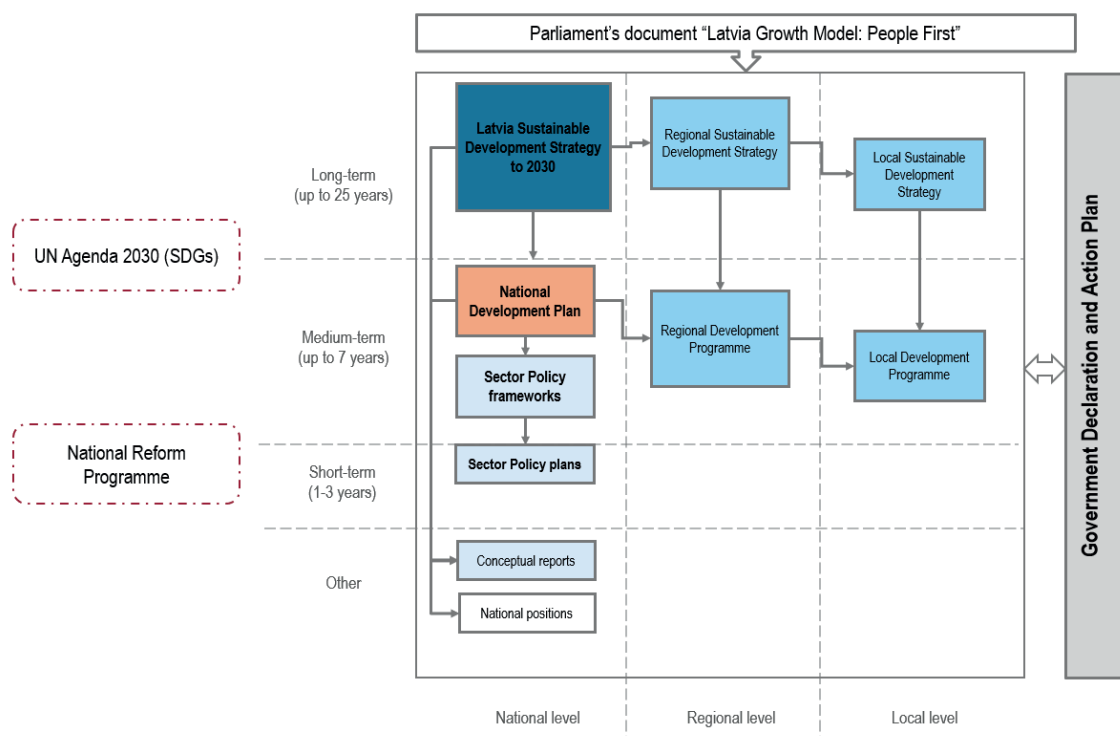
It is also crucial to mention that, according to the Law, the Cabinet of Ministers has the right to determine the levels, types and timeframes of planning documents, including proposing changes in the content and procedures of development, updating, enactment and public participation. However, in practice, the Cabinet of Ministers has never applied this right.

Beyond setting the parameters for documents' hierarchy, the Law regulates the entire planning system in Latvia. The most notable regulations prescribed by the Law include:

1. Regulation No 737 *Development and Impact Assessment of Development Planning Documents* of the Cabinet of Ministers (02.12.2014.) (Cabinet of Ministers, 2014^[8]):
 - a. describes in detail policy frameworks, plans, conceptual reports, as well as institutional management documents. The appendix to the Regulations also provides templates for policy frameworks, plans and conceptual reports that ministries and agencies must follow;
 - b. describes the types of impact assessments to be done at different stages of the policy cycle;
 - c. gives a timeframe for the revision of policy documents;
 - d. describes institutional operational management documents – that are called institutions' operational strategies in Latvia. The operational documents mainly aim to attain output indicators; however, some include outcome (policy) indicators.
2. Regulation No 970 *On public participation in the development planning process* of the Cabinet of Ministers (19.10.2011) defines the methods of public participation in different phases of development planning, requirements for public institutions on announcing public participation opportunities and responding to comments received.
3. Regulation No 979 *On the system of results and performance indicators* (01.09.2009) defines the typology of indicators that can be used at different levels and purposes across the planning and budgeting system. It was created by the Ministry of Finance which in the early 2000s was tasked to develop results-oriented system in order to tie budget and strategic planning together.
4. Regulation No 38 *On the National Development Council* (21.01.2014) describes the role of this advisory body convened by the Prime Minister when fundamental decisions are to be made on development planning.
5. Regulation No 606 *Rules of Order of the Cabinet of Ministers* (07.09.2021) describes in detail the steps to create the Government Declaration and Action Plan.
6. Regulation No 816 *Procedure for development, implementation, monitoring and public discussion of the National Development Plan for 2014-2020* provides detailed methodology on the creation of the previous NDP. The next NDP was created in a similar fashion, only using an institution approved methodology.

Lastly, to ensure cohesion across regions in Latvia, the *Spatial Development Planning Law* (Saeima, 2011^[9]) outlines the principles, levels, documents, procedures, as well as authority of different actors in the matter of territory development planning. This Law aims to support territory development planning that increases the quality of living, ensures sustainable and efficient use of various resources, and promotes economic development.

Figure 2. Planning System in Latvia



Source: Adapted from (Sīmane, 2023^[10]).

Streamlining and aligning sectoral strategies in Lithuania

In Lithuania, more than 250 strategic documents existed in 2015, and strategic action plans included 1,800 monitoring indicators. In the period of 2016 – 2020, the Government developed guidelines and an action plan for restructuring the strategic planning and budget-formulation system to focus more on results and ensure fiscal sustainability. A new *Law on Strategic Management* No. XIII-3096 has been adopted on 25 June 2020 and regulates a results-oriented strategic-management system: laying down the principles of the new strategic management system, the levels and types of planning documents, their interrelationships and their impact on the planning of funds, the participants of the strategic management system, their rights and duties, and the provisions of governance of strategic management system management. The objectives are to optimise the number of strategic planning documents in order to make planning, monitoring and evaluation clearer, as well as to revise the preparation, approval and implementation of the strategic planning, i.e. thus setting out a new strategic planning system.

On the basis of the Law, the Government has prepared a Strategic Management Methodology detailing its implementation that has been used in the preparations of the future Lithuania 2050 long-term strategy. In order to ensure that the strategic action plans reflect the essential objectives set out in other planning documents, the guidelines are to determine which elements of the planning documents must be transferred to the strategic action plans, and along which criteria.

Implementation of the new law and methodology helped Lithuania harmonise and improve strategic planning documents and reduce the number of strategic-planning documents from 290 to around 30. The new hierarchy and list of documents include: 3 high-level state strategies (*National Security Strategy*, *State Progress Strategy "Lithuania 2050"* and *Concept of Spatial Plan*), one strategic level (*National Development Plan*), and 28 sectoral and regional development plans. In particular, the sectoral and

regional development plans integrate previously developed strategies as well as EU strategies. This also helped create a clear hierarchy of strategic documents across these different levels from the three state strategies to the strategic level (NDP), down to the programming level (sectoral and regional plans, and the government programme) and to the activity level (activity plans of the development plans).

Improving strategic framework in Romania

In order to strengthen its strategic framework, the recent Romanian Government Decisions 379/2022 and 427/2022 establish a clear and comprehensive methodology for developing, implementing, monitoring, evaluating, and updating government strategies. Taken together, these decisions strengthen Romania's strategic framework by focusing on the following elements:

- **Hierarchical clarity:** Like many countries, Romania employs a multi-tiered strategic landscape. GD 427/2022 effectively lays out the hierarchy of government strategies, differentiating between sectoral (focusing on specific domains) and intersectoral (addressing cross-cutting issues) approaches. This clear structure ensures all strategies align with national priorities outlined in overarching documents like the Government Program, promoting coherence and avoiding duplication of efforts.
- **Ensuring alignment:** Both decisions underscore the importance of aligning various strategies to achieve overarching goals. GD 427/2022 assigns the CoG institution the General Secretariat of the Government (GSG) the crucial role of verifying proposed strategies against national priorities. GD 379/2022 further reinforces this by advocating for complementarity and integrated approaches across strategies. This emphasis on alignment helps ensure efficient resource allocation in order to maximise the impact of strategic planning efforts.
- **Transparency and accountability:** Both decisions prioritise transparency and accountability throughout the strategic process. GD 427/2022 mandates public and inter-ministerial consultations before strategy approval, fostering inclusivity and trust. GD 379/2022 emphasizes publishing approved strategies and monitoring reports on government websites, ensuring transparency and accessibility. These measures hold stakeholders accountable and encourage informed public participation.
- **Integrating sustainable development:** GD 379/2022 specifically highlights the need to consider the objectives of the UN 2030 Agenda for Sustainable Development in strategic planning. This forward-thinking approach ensures Romanian strategies contribute to broader global sustainability goals.

Strategic planning in Estonia

The Estonian approach to strategic planning presents a well-defined, multi-tiered system, ensuring clarity, inclusivity, and a results-oriented approach that is led by the centre of government, more specially through the Strategic Planning unit in the Government Office.

Integrated planning and principles

Estonia's Parliament plays a pivotal role in setting the country's strategic goals for a 15-year period. These goals, established at the level of fundamentals as per the State Budget Act (Riigikogu, 2024^[11]), provide a broad and overarching direction for Estonia's long-term development. The significance of these goals lies in their cross-sectoral nature, indicating that they encompass various aspects of Estonian society and serve as a beacon towards which the nation must progress.

The *State Long-Term Development Strategy “Estonia 2035”*, is a key strategic document that serves as a bridge between the long-term vision and concrete actions. It encompasses cross-sectoral goals and provides the framework for the development plans and programmes that follow.

Once the Parliament sets the strategic goals through “*Estonia 2035*”, the Government approves an action plan aimed at implementing the necessary changes to achieve these goals. Co-ordinated by the Strategic Unit, the Government’s Activity plan is adopted for the period of four years, a period that constitutes an election cycle in Estonia. Over one government term priorities and objectives do not change; however, in terms of activities, the plan is updated every year to reach the goals in the most efficient way. If the government falls, the new Cabinet drafts a new action plan; however, this time, its’ timeframe depends on the next general elections and may therefore constitute a shorter period. Overall, this action plan serves as a practical roadmap for translating strategic objectives into actionable initiatives and policies. It provides the necessary framework for co-ordinating efforts across government ministries and agencies to work towards the attainment of the established strategic goals. It is also important to note that the Office of the Government is responsible for ensuring that the government action plan is aligned with the country’s long-term objectives prescribed in the *Strategy “Estonia 2035”*.

Sectoral policies, planning and principles

The concept of “fundamentals of policy” as outlined in the *National Budget Act* serves as a foundational document for sectoral documents that provides clarity on the overarching vision, national goals, and priority development directions for Estonia’s strategic planning framework. This document is crucial for establishing a coherent and co-ordinated approach to policy formulation and implementation. It offers strategic guidance to policymakers and stakeholders across various government ministries and agencies. By clearly articulating the country’s long-term development objectives and outlining the fundamental principles that should guide policymaking, this document helps ensure alignment and consistency in decision-making processes. The “fundamentals of policy” outlined in the *National Budget Act* are aligned with the “*Estonia 2035*” strategy objectives.

The *Field Development Plan* (FDP) is the main sectoral document in Estonia. It occupies the middle ground, spanning a medium-term horizon of 7-10 years. Approved by the Government, it defines the overall goal, sub-goals, metrics, and policy instruments for a specific field. This plan acts as the roadmap for achieving desired outcomes in key areas. Importantly, Estonia has managed to decrease the total number of its sectoral plans, having only 15-20 FDPs.

A Programme is an implementation plan that directly links development plans with budgets. As an operational document, it translates the aspirations of the FDP into concrete action. These flexible 4-year implementation plans outline specific measures, activities, Key Performance Indicators (KPIs), and a budgetary plan to achieve a sub-goal within the FDP. It is important to note that the Program is updated annually, thus ensuring adaptability and responsiveness to evolving circumstances.

This multi-layered approach offers valuable lessons for effective strategic planning:

- Each document has a distinct purpose and timeframe, avoiding duplication and confusion and creating a clear hierarchy.
- National goals cascade down to guide lower-level strategic plans, while regional needs are factored in during development.
- Programs, the supporting implementation documents to the FDP, allow for adjustments based on changing realities.
- Programs detail concrete actions and financing, facilitating execution.
- Public consultation and inter-ministerial co-ordination foster inclusivity and informed decision-making.

The Estonian framework extends further beyond core documents, incorporating additional tools like action plans and green/white papers for addressing specific issues and fostering inter-ministerial co-ordination. Furthermore, the emphasis on good governance principles, such as public consultation and clear drafting rules, ensures transparency and accountability throughout the process.

For co-ordination purposes, Estonia uses a three-way approach: bilateral interactions; meetings of secretary generals and meetings of the Cabinet of Ministers. Instead of exercising the Council meetings which are used on very rare occasions, Estonia relies heavily on bilateral meetings between the Office of the Government, ministries, and agencies in order to align their plans and activities. Moreover, the country has a profoundly established network of secretary generals who routinely gather every Monday before the Cabinet meeting on Thursday.

Alignment of national and local strategies in OECD countries

Effective territorial development hinges on aligning national and local strategies. The OECD's *Policy Framework for Sound Public Governance* (OECD, 2020^[12]) emphasises this imperative, recognising the need for coherent policymaking across governance levels and in doing so ensuring that national objectives seamlessly translate into effective local implementation. Maximising impact and addressing diverse territorial needs require the integration of national strategies with local realities. National strategies should not operate in isolation; instead, fostering intergovernmental dialogue and collaborative planning mechanisms is crucial. This collaborative approach allows local actors to contribute to national policy development while ensuring that local strategies align with broader national goals.

Multi-level Governance lies at the heart of effective alignment, necessitating partnerships and joint decision-making frameworks. These mechanisms facilitate knowledge sharing, resource allocation, and capacity building, empowering local governments to adapt national policies to their specific contexts and needs. Differentiation and Flexibility are key principles in this alignment process. Acknowledging that one-size-fits-all approaches rarely succeed, national strategies should provide flexible frameworks and tools that enable local governments to tailor policies to their unique strengths, challenges, and capacities.

In **Sweden**, all regions must prepare and establish a strategy for regional development and co-ordinate efforts for its implementation according to the *Act (2010:630) on Regional Development Responsibility*. It is the role of regional development policymakers, particularly the current Ministry of Rural Affairs and Infrastructure in the Government Offices at the central level, to support territorial planning and convince other ministries that they should wear their “territorial lenses” when planning and designing sector policies. The Forum for Sustainable Regional Development 2022-2030 is one important co-ordination platform. It is positioned as part of the implementation of the National Strategy for Sustainable Regional Development throughout Sweden 2021-2030. The forum is chaired by the Secretary of state for regional development. It is divided into two groups: one that promotes dialogue between national- and regional-level politicians, and one that fosters dialogue between national- and regional-level civil servants (at director level). Sweden has also created policy labs, including one dedicated to exploring concrete policy methods for rural development. In addition, Sweden also relies on involving national government agencies in regional matters as they are in charge of implementing policies and services in the Swedish public governance system (OECD, 2023^[13]). These agencies support the implementation of regional development policies in different sectors while taking into account regional specificities that affect meeting sectoral aims. The government has recently assigned the Swedish Growth Agency, the Housing Agency and the Swedish Transport Agency to support regions in strategic planning and co-ordination activities in these crucial policy areas (Government of Sweden, 2024^[14]) (Government of Sweden, 2024^[15]). The support aims to increase knowledge and understanding of strategic planning and increase the ability of regions through, for example, analysis and knowledge bases and developed collaboration with relevant actors.

Italy's Strategy for Inner Areas is an integrated strategy tailored to reduce demographic decline and land abandonment in many rural areas by improving the quality of essential services – education, health and

mobility – and promoting opportunities for economic activity and jobs. Within the framework of this strategy, the national government defined a set of integrated projects and their expected outcomes through an inter-ministerial committee to align objectives, adapt sectoral policies to specific territorial needs and match different sources of financing. This committee consists of representatives from the Ministries of Education, Health and Agriculture; the Department for Cohesion Policy; and subnational levels of government. For each policy area, the national government also identifies an alliance of municipalities willing and capable of working together towards a long-term strategy, including by unifying the management of functions relevant to the common strategy.

To support vertical co-ordination on strategic planning and development, **Poland** established the Co-ordinating Committee for Development Policy as a permanent inter-ministerial committee with sub-committees linked to regional development issues (e.g., Sub-committee for Rural Areas Development, Sub-committee for Territorial Dimension). The committee carries out analysis and drafts documents to facilitate the implementation of the country's Strategy for Responsible Development, which has a strong territorial dimension. Besides strategic co-ordination, a number of mechanisms support vertical co-ordination, including support to capacity building, funding instruments and contractualization. Poland has developed “territorial contracts” between line ministries and local governments, that aim to support the co-ordination of activities undertaken by the national and local government targeted at achieving common objectives, and help redistribute state budget and fund activities to realise national objectives and co-fund investments (OECD, 2021^[16]).

Estonia's strategic planning operates across both national and local governance tiers. At the national level, the government takes charge, while municipalities and their unions handle matters at the local level, the regional level is no longer in existence after administrative reforms. Co-ordination between governance levels is facilitated through regular meetings. An Operational Council convenes quarterly to deliberate on financial matters and strategic priorities concerning the medium-term budget. These high-level meetings bring together high-level representatives from both national and local spheres, such as those at the Secretary General and Deputy Secretary General levels, to discuss expectations and shared commitments. This approach underscores several key features. The Operational Council primarily focuses on financing and overarching priorities for the budget, rather than delving into detailed planning. Local input is solicited through the participation of municipality unions and representatives from municipalities in sectoral processes managed by the ministries responsible for a concrete action. In this way, Estonia, ensures systematic contributions from local administrations to national strategies. The number of strategies remains manageable, with emphasis placed on those receiving significant local-level input. While the national level maintains leverage, it does not exclusively dictate all planning aspects in conjunction with the local level.

Guidance to improve the hierarchy and alignment of Bulgaria's strategic planning documents

Taking into account OECD insights and the good practices identified above, Bulgaria can consider the following elements to further improve the hierarchy and alignment of its strategic planning documents:

Ensure a clear system and hierarchy of documents:

- Define different types of planning documents with distinct purposes and timeframes (long-term, medium-term, short-term).
- Embed this hierarchy in legislation (*Strategic Planning Law*), as well as in a separate document (e.g., rules of procedures, manual on strategic planning).
- Define policy areas through a decision of the Council of Ministers and consider integrating the existing documents in accordance with the principle of one area/one strategy.

Ensure alignment across documents:

- Develop a methodology for aligning all national strategic documents and ensuring hierarchical subordination and coherence of subnational strategies with national priorities, like Romania's Government Decisions.
- Ensure that the Development Council reviews the need to develop new strategies, as well as the need to renew expiring ones. Expand the scope of the argumentation provided by line ministries to include also expected results from the adoption and implementation of the proposed document, alignment of the proposal with other existing strategic documents, proposed institutional framework for the development and implementation of the document.
- Strengthen the central responsibility of the Strategic Planning Directorate at the CoMA to verify the alignment of strategic documents, including the Government Programme, on quality check and the development and consultation procedures, in line with practices in the majority of OECD Member countries.

Focus on results and outcomes:

- Adopt a results-oriented approach and define clear objectives, indicators, and monitoring mechanisms for each strategic document.

Foster transparency and participation:

- Implement systematic and mandatory public consultations and inter-ministerial co-ordination during strategy development through guidelines and meetings, starting by systematically integrating the Strategic Planning Directorate at the CoMA into working groups authoring sectoral strategies and by ensuring minimum consultation requirement.
- Publish all strategic documents, their monitoring and evaluation reports for public accessibility.

Guidance to align national and local strategies

Taking into account OECD insights and the good practices identified above, Bulgaria can consider the following elements to align national and local strategies within its strategic planning framework:

Establish intergovernmental dialogue and joint decision-making frameworks:

- Ensure the CoMA's systematic participation in regional councils to ensure alignment or consider establishing platforms like Poland's Co-ordinating Committee for inclusive policy development; this would help aligning national and local strategic priorities, plans and methods and support the translation of national priorities into local context.

Foster partnerships between national and local/regional actors:

- Consider regular meetings and high-level discussions to facilitate knowledge sharing, resource allocation, and capacity building for regional strategic planning.
- Encourage ministries to consider regional perspectives when planning policies to ensure national objectives translate into local contexts as in Sweden.
- Involve local stakeholders (municipalities, unions) in strategy development and implementation to foster local ownership and commitment like in Estonia.

2 Linking strategic planning with the budget to better finance strategic priorities

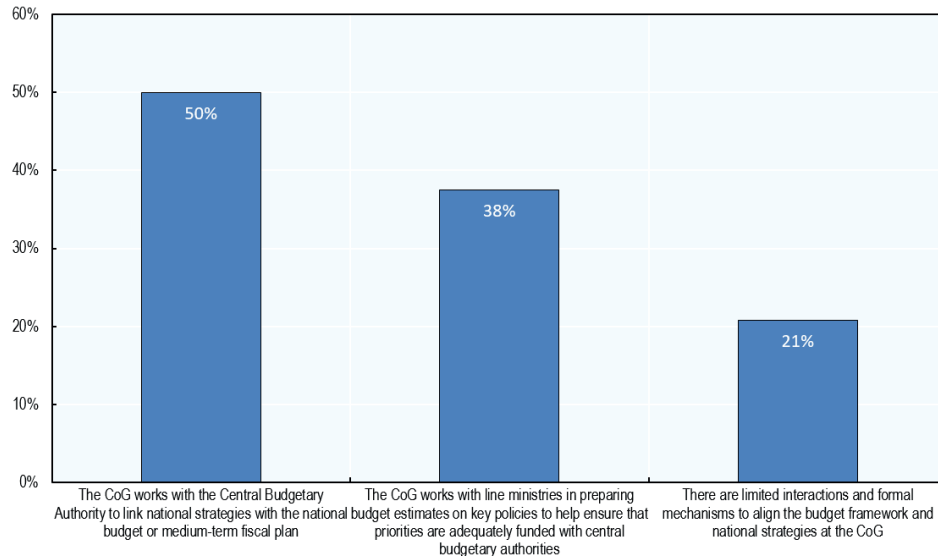
The budget is a crucial planning tool as it enables governments to reach their priorities and implement plans. To ensure that multi-annual objectives are reached in the most efficient, transparent, and trusted by citizens way, budgeting requires sound governance (OECD, 2018^[17]). To this end, the *OECD Recommendation on Budgetary Governance* suggests that budgets should be closely aligned with the medium-term strategic priorities of the government and co-operation between the Central Budget Authority and the centre of government is critical (OECD, 2015^[18]).

In Bulgaria, as highlighted in the 2022 *Centre of Government Scan*, the Ministry of Finance (MoF) is a key actor responsible for aligning the strategic whole-of-government priorities with the budget/fiscal framework (OECD, 2022^[2]). The CoMA, the CoG institution primarily responsible for strategic planning and policy co-ordination, has a limited role in budgeting area, thus linking government intentions with available resources is challenging and highly dependent on the MoF. The assessment of various strategic documents revealed that strategic plans in Bulgaria are not systematically supported by financial estimations. Moreover, the fact-finding interviews with the participants from various public administration entities revealed that more measurable key performance indicators are required to bolster the link between strategic planning and resource allocation. Currently, there is a discrepancy in the use of indicators included in budgetary planning and in strategic documents, that should be addressed to ensure a sound and effective implementation of these documents.

Strategic planning and budgeting in OECD countries

Linking strategic planning with the budget processes is a common challenge for the OECD countries. In 2023, half of the surveyed OECD countries reported that their CoG works with the Central Budget Authority to strengthen the link between plans and budget instruments (Figure 3). Other mechanisms to ensure this linkage also exist, for instance, closely working with line ministries on budget estimates and CoG acting as an intermediary between various institutions of the public administration. Nevertheless, in 21% of OECD countries, the ways to align national planning with the budget framework are limited.

Figure 3. Ensuring proper financial resources for strategic documents



Note: n=24. Respondents to the survey were asked: "How does the CoG ensure that the national strategies are properly financed and respect the parameters of the country's fiscal framework?"

Source: (OECD, 2023^[6]), "Survey on strategic decision making at the centre of government", Unpublished, OECD, Paris.

Bulgaria has also identified linking strategic planning with financial resources and budgeting processes as a particular challenge for its CoG. As such, in the survey, the country reported that CoMA has limited mechanisms to align budget with national strategies. To this end, the following example of Latvia's State Chancellery which has an important role in aligning plans and budgets, and the Estonian practice on linking these both highly interdependent policy processes can provide insights to Bulgaria.

The role of the centre of government in linking budgets and strategic planning in Latvia

Latvia's State Chancellery, the centre of government, plays a vital role in bridging the gap between strategic plans and budgets. To this end, the State Chancellery has three key functions:

1. it assesses plans by line ministries to ensure compliance with national higher-level strategies and available financial resources;
2. together with the MoF, the State Chancellery evaluates the multi-annual budget proposals submitted by government institutions;
3. through an annual Budget Expenditure Review process, the State Chancellery collaborates with the MoF and other ministries to re-focus public spending on a results-orientated approach.

Linking the policy planning and national budget cycles hinges on the legal hierarchy of planning documents as prescribed by the Law on the Development Planning System and the prioritisation process stemming from the National Development Plan. The NDP's Annex provisionally determines available fiscal space for a seven-year period. Before documents get approved by the Cabinet of Ministers, the State Chancellery screens policy frameworks, plans, regulations on EU financed programmes, etc., providing input to the ministries, the Prime Minister and the Cabinet to ensure compliance not only with higher-level plans, but also to identify significant deviances from the amount of fiscal space that was allocated for the initiatives at the time the NDP was approved.

Latvia's EU and other funding requests directly stem from the NDP. Regarding financing from the national budget, Latvian line ministries and public agencies submit their three-year budget proposals for priority

measures within the Latvian multi-annual budgetary framework to the MoF and the State Chancellery in June each year. The State Chancellery then evaluates the degree to which each proposal

- contributes to achieving the goals and results of the NDP;
- conforms with measures, tasks, programmes and relevant second tier performance indicators outlined in the NDP;
- is consistent with the priorities and initiatives outlined in the Government Action Plan; and
- is detailed in a sectoral or horizontal policy document.

The State Chancellery then ranks ministries and other institutions state budget requests for additional funding, providing this information both to the Ministry of Finance and the Cabinet for further considerations during budget negotiations.

The State Chancellery has been a key member of the Budget Expenditure Review Working Group since it was established in 2016. Under the lead of the MoF, the State Chancellery, the Bank of Latvia, with the State Audit Office having an observer status, determine the direction of the Budget Expenditure Reviews, conduct data analysis and submit proposals to the line ministries. Depending on the stage of budget expenditure review, the Working Group may meet once a week, once a month or less frequently. In this Group, the Chancellery's most important task is to develop annual proposals on matters that should be discussed and analysed to implement national policy more efficiently and economically, as well as to regularly optimise budget expenditures and evaluate their compliance with the priorities and goals defined in development planning documents, as stipulated in paragraph 16.3 of the Law on Budget and Financial Management.

The Group has been rather successful in ensuring a certain degree of efficiency and savings in operational budget expenditures. It analyses line ministry expenses, reviews funding allocated to priority measures, assesses indicators for core budgetary functions, examines specific horizontal functions, etc. The primary objective – to ensure compliance of annual budget priorities with broader development priorities presents a greater challenge. Gains identified through assessments do not necessarily lead to a reallocation of funding to the priorities proven to require sufficient funding.

Overall, aligning planning objectives with the budget cycle presents several challenges for Latvia:

- The annual budget base allocations have not been fully reviewed since the structural reforms addressing the 2008-2010 financial crisis. This makes it challenging to reallocate significant resources towards achieving results in medium-term planning goals, let alone emerging priorities and public sector responsibilities.
- Spending reviews identify mismatches that are discussed with the line ministries, but ultimately, adjustments often are the prerogative of line ministries, leaving little cross-sectoral reallocation. Likewise, when during the annual budget year institutions identify unspent funds within a specific budget programme, they submit proposals to the Cabinet to reallocate financing within the sector, often favouring increases in low public wages over activities from policy documents.
- Government approved policy plans may include actions requiring more funding than was provisionally envisaged and is available. This can be due to many factors, including incorrect initial estimates, overly ambitious performance targets, etc.
- Medium-term planning documents are often programmed and financed in earlier budget (and electoral) cycles. As a result, when ministries have contending priorities, and a new issue arises, immediate needs may take the upper hand.

Linking budgeting and strategic planning in Estonia

Estonia's model for linking strategic planning with the budget serves as a compelling practice. By implementing well-defined co-ordination mechanisms, fostering collaborative planning, and leveraging respective expertise, Estonia has achieved an efficient level of coherence and transparency in its resource allocation processes. This system paves the way for effective translation of strategic ambitions into tangible results, ultimately contributing to the realisation of strategic planning objectives.

At the heart of Estonia's efforts to link strategic planning with the budget lies a culture of continuous dialogue and collaboration. Yearly meetings involve the MoF and line ministries. These meetings provide a platform for open discussions on strategic plans, funding needs, and aligning key measures with available resources. This ongoing engagement fosters transparency and accountability, ensuring strategic priorities remain at the forefront during budget allocation.

Moving beyond dialogue, the MoF actively participates in shaping strategic plans from the bottom up. By collaborating on the preparation and review of "terms of reference" (concept notes) for upcoming strategies, financial feasibility becomes an integral part of the planning process from the outset. This proactive approach prevents potential misalignments between ambitious goals and available resources, ensuring strategic plans remain grounded and can be realised.

To ensure that not only financial considerations are effectively addressed, but also strategic substance, joint meetings are conducted by the Strategic Unit at the CoG and the MoF with ministries. This collaborative approach leverages the expertise of all involved parties, streamlining the process and leading to more comprehensive and integrated strategic planning. The strategic office dedicates its expertise to crafting the "substance" of the plan, including key objectives and measures, while the MoF plays a crucial role in financial analysis and costings. This division of labour ensures optimal use of expertise for each aspect of the planning process.

The timing of these interactions is strategically chosen. Meetings are held before the commencement of discussions on the Medium-Term Expenditure Framework (MTEF) and government workplan preparations. This ensures that financial realities are factored in early on, guiding strategic planning and resource allocation decisions effectively. By considering financial feasibility at the outset, strategic priorities can be realistically aligned with available resources, minimizing potential discrepancies later in the process. Additionally, the MoF and Government Office (GO) also co-ordinate and manage together the changes in the performance areas (MoF), development strategies (GO), and programs (MoF and GO). This collaboration involves adjustments in their general structure, which may occur due to administrative reform or political priorities, and the refinement of KPIs at various levels.

A key factor for the integration of strategic planning with budgeting processes in Estonia is also the fact that the process is underscored by concrete documents that act as the primary references for the discussions. The MoF oversees the medium-term expenditure framework, while the GO manages the four-year action plan. These documents facilitate discussions on the state of objectives and required budgets. Notably, difficult discussions, such as budget cuts, are anchored in the context of objectives outlined in both the government program and the medium-term expenditure framework, supported by joint indicators. The review of indicators is a collaborative effort between the MoF and the Government Office, ensuring alignment between KPIs and policy priorities. The GO manages the substance of the KPIs and policy priorities, while the MoF oversees the budgetary aspects. Furthermore, the use of performance budgeting within programmes allows for flexibility in spending.

This approach delivers several benefits. The established communication channels and collaborative practices enhance coherence between strategic planning and the budget, reducing the risk of mismatched priorities and resource allocation. Open dialogue and joint decision-making processes promote transparency and accountability in resource allocation, ensuring stakeholders are aware of funding considerations and their impact on strategic objectives. Additionally, integrating financial considerations

early in the planning stages fosters realistic expectations and avoids potential disappointment when priorities conflict with resource limitations. Last, dividing tasks between the strategic unit and the MoF leverages respective expertise, leading to more efficient planning processes.

Within their efforts in linking budgeting with strategic planning, Estonia faces several challenges:

- Firstly, the issue of inter-institutional trust remains a significant barrier. Co-ordinating institutions often prioritise their respective mandates, leading to reluctance to delegate power or sharing responsibilities. Overcoming this challenge requires fostering a culture of collaboration and mutual understanding among key stakeholders, emphasising the shared goal of effective resource allocation for national development.
- Secondly, the alignment between the political arena's activities and strategic planning poses difficulties. While Estonia's strategic documents, like *"Estonia 2035"*, provide broad objectives, translating them into concrete action plans demands attention to detail and practicality. Establishing robust links between strategic objectives and budgetary decisions necessitates a clear and structured approach that addresses the practical needs of governance.
- Lastly, addressing the varying capacities of ministries emerges as a critical concern. Providing structured training and support for ministries to become more effective partners in the strategic planning process is essential for ensuring coherence and efficiency in resource allocation efforts.

Overcoming these challenges requires a concerted effort from all stakeholders, supported by strong leadership and a commitment to fostering transparency, collaboration, and capacity building across government institutions.

Guidance to improve the linking of strategic planning with the budget to better finance strategic priorities in Bulgaria

Taking into account OECD insights and the good practices identified above, Bulgaria can consider the following elements to better link strategic planning with the budget in Bulgaria:

Create a proactive resource planning that takes into account a strategic timing:

- Ensure that all strategic documents are supported by financial estimates that provide resources to achieve strategic priorities. Financial considerations should be based on realistic estimates of the current and future economic situation of the country.
- Conduct interactions before budgeting discussions to ensure strategic realities inform resource allocation decisions early on and priority policies are reflected in the budget, like Estonia's approach.
- Integrate financial aspects from the outset through MoF participation in shaping strategic documents via the inclusion of additional funding, in necessary, for priority measures in the financial assessment of draft strategic documents.

Enhance co-operation between key actors:

- Establish regular meetings between MoF, CoMA and line ministries like Estonia, fostering communication and transparency in aligning plans with financial resources to ensure an early and continuous dialogue.

- Strengthen the collaboration and conduct joint meetings between CoMA and MoF to combine strategic vision with financial expertise, as seen in Estonia and Latvia.

Adhere to the same KPIs throughout the planning and budgeting procedures:

- In collaborative process between the CoMA, MoF and line ministries, ensure alignment between KPIs used in both planning and budgeting, as it is done in Estonia. Costing and strategic planning should follow the same set of indicators approved between the CoMA, MoF and the authoring institution with the KPIs included in the original strategy as the reference.

3 Strengthening the role of the strategic planning directorate to support line ministries

Given its unique position within the administration, the CoG can provide diverse support to line ministries and public agencies to improve planning quality and ownership across administrations. This support can take different forms, for instance, by providing review of draft documents or creating guidelines on strategic planning and disseminating them across different institutions.

In a vast majority of OECD member countries, the CoG provides review and quality control of documents, particularly those submitted to the Cabinet. These reviews include that the submitted items follow the procedures for preparation and presentation, that the item is in line with the Government Programme and that the item has been subject to an adequate consultation process (OECD, 2018^[19]).

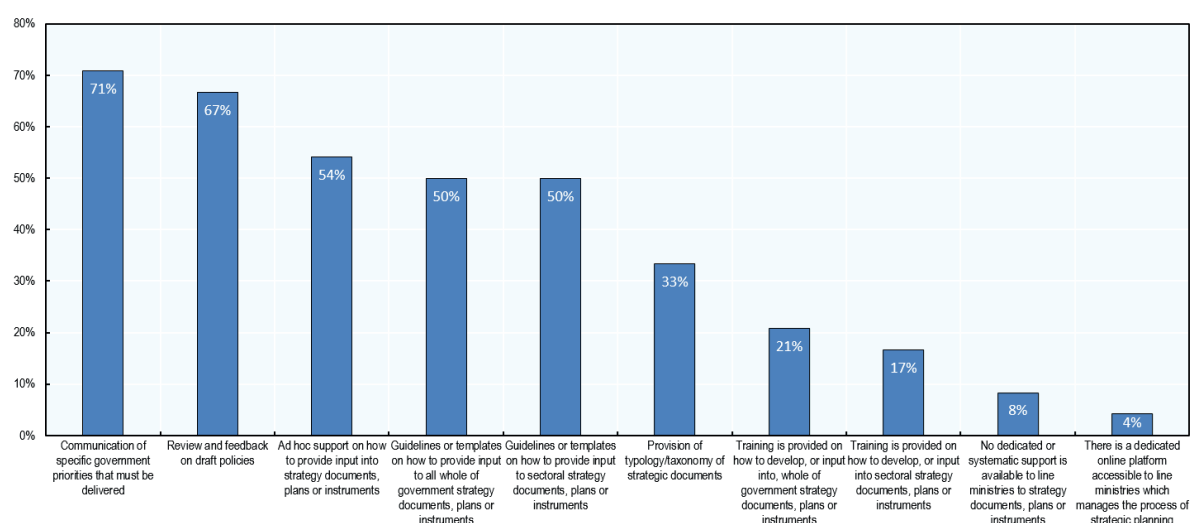
The fact-finding interviews with the participants from numerous public entities revealed that in Bulgaria, there are inconsistencies in strategic documents prepared by the line ministries, especially on cross-cutting matters. In order to strengthen strategic planning capabilities across the administration, the CoMA with its newly established Strategic Planning Department could consider assuming some support functions to line ministries and public agencies.

Support by the CoG to line ministries in OECD countries

The *2023 Centres of Government Survey* results show that CoG support to ministries in OECD countries is considered an important responsibility and they provide support in practice in various ways. Accordingly, 62% of surveyed OECD CoGs reported setting frameworks, standards, guidance and building capacity in strategic planning as their priorities (OECD, 2023^[6]). Bulgaria identically reports this function as a top priority for the CoMA.

In terms of practical activities, the majority of OECD member countries' CoGs contribute to the communication of specific government targets and priorities, as well as engage in providing review and feedback on draft policies (Figure 4). Moreover, several countries exhibit support mechanisms beyond the aforementioned, with at least one half of countries implementing ad hoc assistance and providing guidelines or templates to facilitate input into documentation. Some OECD CoGs extend their support to training initiatives aimed at enhancing the skills related to the development and input into strategy documents, plans, and instruments.

Figure 4. Support provided by the CoG to line ministries and agencies in developing strategic plans



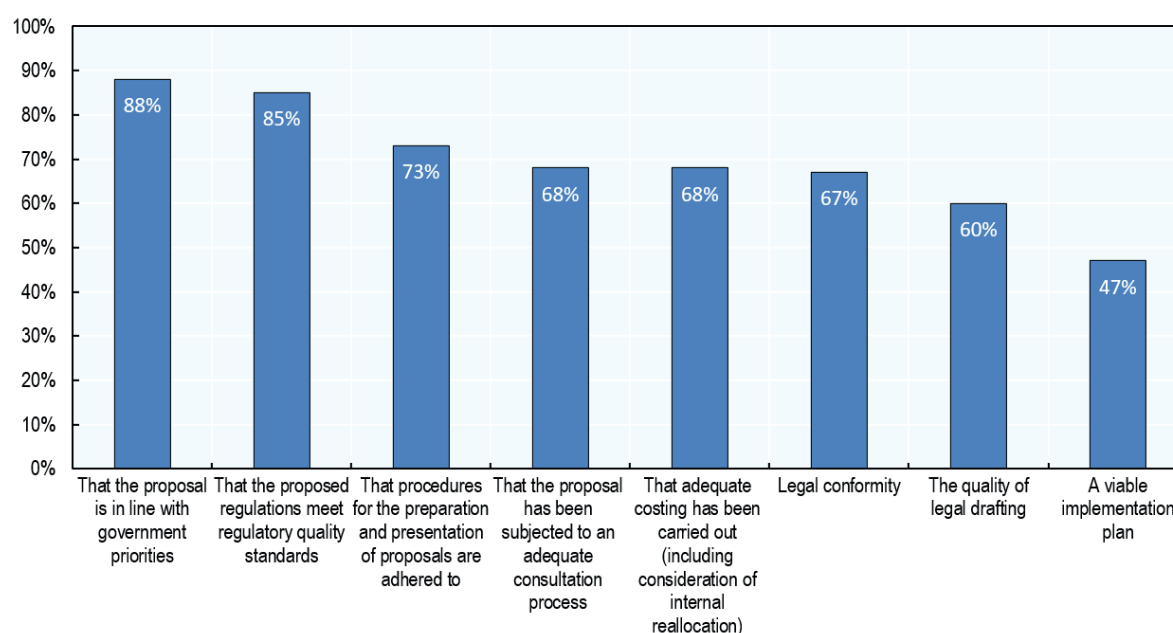
Note: n=24; Respondents to the survey were asked: “What support does CoG provide to line ministries and other agencies to develop strategy documents, plans and instruments?”.

Source: (OECD, 2023^[6]), “Survey on strategic decision making at the centre of government”, Unpublished, OECD, Paris.

With regard to support functions provided by the CoG in Bulgaria, the CoMA supports ministries and agencies in numerous ways. For example, the Co-ordination of Policies and Concessions Directorate co-ordinates and supports the activities for the development, monitoring and control of the implementation and reporting of the priorities and goals in the government programme. In addition, the Development Council under the Council of Ministers ensures consistency between the goals and priorities in the government programme and the national strategic documents, while the Strategic Planning Directorate within CoMA co-ordinates the implementation of this task. However, Bulgaria’s responses to the 2023 Centres of Government Survey revealed that the Bulgarian CoG does not assume the communication function of government priorities and targets, that is the top support function in the OECD CoGs. Similarly, as in the vast majority of the OECD countries, there is also no dedicated online platform for strategic planning that ministries can use as their resource in Bulgaria.

In numerous OECD countries, the CoG assumes quality review function of documents submitted to cabinet. This function usually entails assessing whether the proposed item is aligned with the government priorities, proper quality standards, processes and procedures have been followed and that the document conforms to consultation, financial and legal criteria (Figure 5). For some of these functions, for example, legal and fiscal conformity, the centre can share its responsibility with other entities (OECD, 2018^[19]). Overall, in 2023, 66% of the surveyed OECD countries declared this quality review function as top or significant priority for their CoGs (OECD, 2023^[6]).

Figure 5. Revision of policy proposals, legislation and other policy documents



Note: n=24; Respondents to the survey were asked: "When reviewing draft policy proposals, legislation, or other policy documents, which aspects does the CoG ensure?"

Source: (OECD, 2023^[6]), "Survey on strategic decision making at the centre of government", Unpublished, OECD, Paris.

The Bulgaria's responses to the survey demonstrate that the CoMA assumes many quality review functions, including revising if the proposal has followed an adequate consultation process, the procedures were adhered, and the proposed regulations meet regulatory and legal standards. Bulgaria reported that its CoMA can provide opinion on the alignment and consistency of certain proposals with different strategic documents and government programme; however, the CoMA does not have the authority to reject elements or send back to the authoring ministry.

As noted, the centre can support line ministries and public agencies in manifold ways. While in Estonia the Strategy Unit works closely with all ministries to translate political commitments into actionable plans, Canada uses separate documents that accompany all new proposals to cabinet. Latvia has created a Strategic Planning Handbook for policy planning and several guidelines on specific dimensions (such as public participation) that all involved stakeholders can use for operational planning and policy planning. Meanwhile, Czechia is one of the rare OECD countries that created an online platform for strategic planning.

The Strategy Unit in the Office of the Government of Estonia

Estonia's Strategy Unit, situated within the Office of the Government, plays a crucial role in translating the Coalition Agreement into a comprehensive four-year action plan known as the Government Programme. This unit collaborates closely with other central government institutions and line ministries to refine policy objectives across various sectors and sub-sectors, ensuring alignment with the coalition's political commitments.

Moreover, it oversees the translation of the Government Programme into actionable commitments, fostering effective strategic planning and resource allocation. Working in tandem with deputy secretaries-general and the MoF, the Strategy Unit monitors performance and maintains coherence between the Government Programme, Estonia 2035, and multi-year budget framework.

Notably, the unit empowers the Prime Minister to exercise quality control over government-wide strategies, streamlining processes and reducing redundancy. Estonia's approach exemplifies the importance of co-ordinated strategic planning in achieving national objectives and optimising resource utilisation. The unit has the following key functions:

- Connecting policy to action: The Strategy Unit translates the broad ambitions outlined in the Government Programme into concrete, actionable commitments for individual ministries. This ensures clarity and focus in translating political goals into tangible deliverables.
- Ensuring coherence: The unit acts as a central co-ordinator, harmonising individual ministry plans with overarching national strategies and ensuring consistency across government initiatives. This fosters a unified approach to achieving national objectives.
- Standard setting: The unit establishes clear and concise minimum standards for all strategic documents. This includes mandating elements like performance indicators, cost analysis, and explicit links to the budget, contributing to transparency and accountability.
- Enhancing collaboration and co-ordination: The unit facilitates communication and collaboration across ministries, encouraging joint efforts and eliminating potential siloed approaches. This promotes synergy and avoids duplication of efforts.
- Offering support: The unit acts as a valuable resource for ministries throughout the planning process, providing guidance and expertise from initial conception to implementation. This ensures quality control and adherence to best practices.

The unit's effectiveness is underpinned by well-defined procedures and guidelines that flow from a ministerial note and a strategic planning handbook:

- Clear steps are outlined for drafting sectoral development plans, covering every stage from initiation to implementation. This transparency fosters accountability, predictability, and uniformity.
- The process mandates stakeholder involvement and incorporates regular evaluations to ensure plans remain relevant and effective.
- Strategic documents must demonstrably contribute to long-term national goals and align with Estonia's commitment to sustainable development.
- Financial considerations are central, with mandatory cost estimations and clear links established between plans and the state budget.

The unit identified several good practices that have contributed to its effective functioning:

- Firstly, it prioritises early engagement with ministries during the planning phase, particularly during objective setting. This proactive approach ensures alignment with national priorities and minimises wasted efforts.
- Secondly, the unit emphasises the importance of adopting concise standards for strategic documents. By making the offered guidance streamlined and concise, it can enhance clarity and efficiency for its users. Nevertheless, guidance should clearly include key elements such as indicators and budget connections.
- Thirdly, flexible government instructions allow for the provision of tailored guidance and allow adaptation to specific circumstances, promoting agility and responsiveness.
- Fourthly, the unit recognises the value of feedback mechanisms. Rather than wielding veto power, employing a formal feedback mechanism that offers suggestions and encourages improvements fosters collaboration and enhances the quality of plans.
- Lastly, the unit underscores the significance of expert support. Maintaining a small but dedicated team of independent experts with sector-specific knowledge ensures ministries receive targeted

and effective support, enhancing overall strategic planning efforts. These practices collectively contribute to the unit's success in supporting ministries and advancing national objectives.

By combining its core functions, with practical insights, and well-defined procedures, the Strategy Unit in Estonia has established a successful model for supporting strategic planning across ministries. This approach fosters collaboration, ensures alignment with national priorities, and promotes transparent and accountable resource allocation for achieving national objectives.

Memoranda to Cabinet as quality control in the Government of Canada

Memoranda to Cabinet (MCs) are a tool for proposing policies and supporting rigorous, evidence-based decision making within the Cabinet of Canada. MCs are brought forward by ministers to aid in cabinet deliberations when considering the introduction of new laws or initiatives, changes to existing legislation or programmes, or responses to parliament. There are several steps required to bring the proposal to the cabinet.

1. MC drafters must consult the Privy Council Office (CoG), which ensures the proposal is in line with government priorities, is appropriately costed and has been subjected to adequate and systematic analysis.
2. The department bringing forward the proposal must hold at least one meeting with the Privy Council Office. In particular the Privy Council Office checks the alignment with the PM priorities and key policy documents. It plays a role of review and challenge of the MC and can send it back to the authoring institution and postpone the review and approval to a later cabinet meeting.
3. Drafters organise consultations with other affected agencies and departments to address potential cross-cutting obstacles, collect additional information and address potential concerns.
4. The MC is discussed in the relevant cabinet policy committee, where decision makers review the memoranda and prepare a recommendation for the cabinet.

Once a policy has been well discussed and a positive agreement has been reached, the MC is passed to the cabinet for ratification.

MCs follow a specific format. They describe the main issues at stake and list a set of actions, providing a clear rationale, a detailed approach, and a consistency check of the proposal against key government objectives such as climate goals. They then set out how the policy would be addressed in parliament or through other measures.

The MCs' development process has several internal control mechanisms to ensure the quality of the proposals that reach the cabinet for discussion. MCs are overseen by responsible minister(s). The Privy Council Office informs the chair of each cabinet committee about the progress of MCs. The chief financial officer of the sponsoring minister's department reviews due diligence issues. Moreover, agencies in the CoG brief the prime minister, minister of finance and president of the Treasury Board on proposals.

Drafting MCs can take considerable time given the expected level of analysis and required consultations with the CoG and other agencies. A key to success is ensuring that planning and drafting take place well in advance so that the process is not rushed and that ministers can receive proposals well in advance of cabinet consideration so that they can internalise the information.

Policy Development Handbook in Latvia

Developed by the Latvian centre of government, the Policy Development Handbook (the Handbook) is a concise document that provides a practical overview and guidance for policymakers at all levels, including politicians, public administrators, and local governments (Cross-Sectoral Coordination Centre, 2016^[20]).

Its aim is to foster a shared understanding of policy-making principles and procedures and enhance co-ordination.

The Handbook dives deep into the various types and hierarchical structure of planning documents in Latvia. As such, it thoroughly describes the operational level (local, regional or national) and timeframe (short, medium or long-term) for each planning instrument. It stresses the importance of vertical and horizontal integration of all planning tools, as this should be considered when developing a new plan (Cross-Sectoral Coordination Centre, 2016^[20]). Moreover, the Handbook briefly describes each possible type of strategic plan in the country, outlining its position within the planning system, key objectives, and development procedures. International documents and their integration into national planning are also addressed.

Beyond clarifying on typology and hierarchy of documents, the Handbook helps unravel Latvia's planning system and procedures in several other ways. Notably, it discusses the core policy-making principles such as sustainable development, interest alignment, public participation, financial resources and territorial development. These principles are crucial for Latvian development of plans, and thus should be addressed in planning tools. The Handbook also provides a concise overview of key actors involved in policy-making and their respective roles. Additionally, it guides users on how policy objectives should be defined, provides a glimpse into policy impact assessment and evaluation, as well as includes real-world examples.

It is also important to note that numerous call-out boxes are placed throughout the Handbook. These boxes offer helpful tips, highlight key points, provide practical examples, and pose insightful questions to consider during the development of new planning tools. For example, intervention logic – a tool that helps structure policy and enhance the achievement of goals – is broadly discussed in the Handbook, being also supplemented by the sample table (Figure 6).

Figure 6. Intervention logic example. Plan for implementation of Guidelines for Resocialisation of Prisoners 2015-2020

1. Policy objective	2. Policy outcome (benefit to society)	3. Performance indicator	4. Risks (external)
To reduce the risks of criminal behaviour of persons in prison or after release from prison to ensure a safe and successful reintegration into society, including the labour market.	A former prisoner lives a law-abiding life after being released from a prison or following the probation period, becomes socially active and enters the labour market.	Proportion of convicted persons serving prison sentence for the first-time increases. Rates of reoffending sentenced to imprisonment fall.	Changes in the criminogenic environment Changes in public attitudes towards ex-prisoner
5. Policy goal (or target)	6. Policy outcome	7. Performance indicator	8. Risks
Persons serving prison sentences acquire an education or profession.	The number of former convicts who start working after being released from prison and/or complete probation is increasing.	3 500 former convicts have started participating in active employment measures or have found a job within the first 6 months from the day of obtaining unemployment status.	No demand for the professions learned. Target groups may not know about the services of the State Employment Agency or may not use them.
9. Tasks Vocational education and training measures for prisoners			
10. Measures	11. Performance results	12. Performance indicators	13. Risks
a) Introduction of vocational training for persons in prison. b) Introduction of career planning for prisoners and former prisoners.	a) Prisoners are involved in professional continuing education and non-formal education programmes corresponding to their abilities and interests. b) Convicts who have received career counselling can find more suitable professional education measures.	In prisons and after imprisonment, career counsellors have advised 450 people over 29 years of age over a six year period 250 prisoners are involved in the practice of professional education programs at the prison.	Careers counsellors may not understand the main reasons why former convicts experience barriers to the labour market (e.g., prejudice) and may not be able to help prisoners overcome the barriers. Prisoners could learn skills that are not in demand in the labour market.
	14. Resources	15. Costs	16. Prerequisites
	Instructors, room rent for 12 persons, 8 groups x 6 years Remuneration to consultants for conducting classes and for individual consultation Training of the State Employment Agency's employees on the specifics of prisons Provision of practice in prisons	300 000 EUR 46 200 EUR 3 500 EUR 345 000 EUR	Granted funding from the Structural and Investment Funds of the European Union Coordinated fields of professions with relevant ministries Contract with the State Employment Agency

Note: Translation provided by the authors.

Source: (Cross-Sectoral Coordination Centre, 2016^[20]).

In light of practical experience using the Handbook within ministries and public agencies and recent international policy planning developments, the State Chancellery is planning to update the Handbook in 2024. While core content will remain unchanged, the update will incorporate guidance on integrating Sustainable Development Goals into policy planning at all levels.

Meetings of Strategic Planners in Latvia

The most significant asset in strategic planning is people. The State Chancellery of Latvia fulfils its co-ordination role by convening meetings of civil servants responsible for policy planning from the ministries and other public institutions.

Routine co-operation work takes place online. For example, via a *WhatsApp* group chat exchange – with information flowing back and forth when the Prime Minister prepares to address the Parliament on planning issues.

Rare physical meetings are important to exchange ideas and create solutions to problems identified in the planning process. During one of such meetings, Latvia's policy planners actively discussed the results of a questionnaire on planning challenges previously answered by the group. Another Strategic Planners' meeting resulted in embedding the Sustainable Development Goals into the country's planning process. There are many aspects of planning that are sector specific, so an exchange of perspectives ensures that standardization of processes does not impose unjust limitations and is fair.

Performance management dialogue and Network of Strategic Planners in the United Kingdom

The Cabinet Office in the United Kingdom (UK) is in charge of steering, co-ordinating and monitoring the implementation of priorities. It uses an advanced digital dashboard with a wide series of KPIs, oversees the outcome delivery plans prepared annually by each department and aiming at implementing government priorities, and leads performance dialogue to ensure the delivery of priorities (UK Cabinet Office, 2024^[21]). For that, it organises monthly meetings of key contact points in each ministry in charge of the outcome delivery plans, and of senior management, as well as quarterly meetings with State Secretaries of the various ministries to ensure that the government is on track with the priorities defined in the outcome delivery plans and monitored through the common online dashboard.

The UK has also established a network of strategic planners (the strategic planning experts in each department) that meets on a monthly basis in an informal setting to discuss existing and new practices, methodologies and approaches and explore ways to further align plans and priorities, building a sense of community among planning experts and building capacities across the public administration.

Guidance provided to line ministries for the elaboration of sectoral or cross-sectoral strategies in Czechia

The original version of the Methodology for the Preparation of Public Strategies (Methodology) in the Czech Republic was approved by the government on May 2, 2013 (Resolution No. 318/2013). The update of the Methodology was discussed by the Ministry for Regional Development in 2018 with relevant partners and approved by the government on January 28, 2019 (Resolution No. 71/2019).

The methodology streamlines and articulates the procedure for creating strategic documents with the aim of increasing their quality and interconnectedness. It describes the process of individual strategy preparation and implementation, from identifying the need for strategy creation, its preparation for approval and its actual implementation. The methodology also introduces a typology of strategic and implementation documents and elaborates the use of knowledge in strategic work, the evaluation of strategies and their impacts. All this is graphically summarized in diagrams and figures.

Guidance available to line ministries can be found on the publicly available Government Portal for Strategic Planning which is maintained and updated by the Ministry of Regional Development (Ministry of Regional Development of the Czech Republic, 2024^[22]). The portal aims to inform about the following areas of strategic work:

- Methodological support – it provides direct access especially to the current Methodology and the related tools and templates; typology of strategic and implementation documents; or comparison of methodologies at the state, regional and municipal levels.
- Technical tools – Registry of strategic documents and strategic maps.
- Co-ordination and co-operation platforms – especially the Expert Group for Strategic Work, and the Working Group for the Registry of strategic documents.
- Information on projects undertaken by the Ministry of Regional Development in the support of strategic work and their outcomes, including learning opportunities and further tools useful for strategic work such as SWOT analysis within the framework of public strategy; Communication, participation and marketing of strategies and projects; Risk analysis and management; etc. For instance, it has helped disseminate information on training, with three sessions of the main training program ("Strateduka") held in 2023 and gathering more than 50 participants (Ministry of Regional Development of the Czech Republic, 2024^[22]).

The Ministry of Regional Development also maintains an online registry of strategic planning documents (so-called Database of Strategies) where all strategic documents at the regional and central levels have to be uploaded. To this Database is linked a network of strategic planners (so-called administrators) from all ministries and regions who are responsible for the documents of their respective institutions. The portal has supported the increase in capabilities of the public administration by providing reference documents, harmonized templates and capacity building sessions to civil servants involved in strategic planning across the administration.

This approach has helped enhance the quality and consistency of strategic planning documents in Czechia and increase the capacities for strategic planning across the public administration and build a stronger sense of community. However, the lack of steering power from the CoG (Office of the government) has hampered the actual streamlining and alignment of documents towards achieving national priorities (OECD, 2023^[4]).

Guidance to strengthen support for strategic planning given to line ministries in Bulgaria

Bulgaria can consider the following elements to better support line ministries:

Enhance collaboration and co-ordination:

- Adopt a working model akin to Estonia's Strategy Unit, working closely with ministries from the beginning to translate national priorities into actionable plans, including through integration of the Strategic Planning Directorate at the CoMA into working groups dedicated to the development of sectoral strategies.
- Facilitate communication and joint efforts, eliminating siloed approaches like Latvia's State Chancellery.
- Leverage the new network of experts on strategic planning to report, provide feedback and discuss on progress, share methodologies and build a sense of community in light of the models of the UK or Latvia's networks of strategic planners.

Provide quality assurance and feedback:

- Implement a review process and a document similar to Canada's Memoranda to Cabinet, ensuring alignment with priorities and resource availability.
- Develop systematic standards and procedures for strategic documents through templates and a strategic planning handbook, including performance indicators and budget links (Estonia, Latvia).

Offer resources and support:

- Create a dedicated online platform like Czechia's portals, to ensure easy access to resources, strategic planning documents and guidance (guidelines, templates, trainings, including online ones); ensure that this tool is promoted and used in strategic planning meetings to support discussions and alignment.
- Develop training programmes for ministries on strategic planning processes.
- Provide expert support tailored to specific needs of each ministry.

Promote coherence:

- Analyse alignment issues and gaps in ministries' documents and develop solutions like Latvia's typology of planning documents, and exert the challenge/review function when documents are submitted for preparations and approval.
- Harmonise individual ministry plans with overarching national strategies as is the case in Estonia.
- Ensure vertical and horizontal integration of all planning tools as in Latvia, to align national and regional strategic documents, ensure the use of same planning methodology, templates and standards, and that national priorities are reflected in regional documents.
- Consider establishing a dedicated team of experts with sector-specific knowledge within the Strategic Planning Directorate at the CoMA (in Estonia) to ensure synergies between the different ministerial domains.

References

- Cabinet of Ministers (2014), “Regulations for the Development and Impact Assessment of Development Planning Documents”, <https://likumi.lv/ta/id/270934-attistibas-planosanas-dokumentu-izstrades-un-ietekmes-izvertesanas-noteikumi> (accessed on 18 March 2024). [8]
- Council of Ministers (2023), “Resolution No. 77 of the Council of Ministers of 16.05.2023 on the establishment of a Development Council under the Council of Ministers”. [3]
- Cross-Sectoral Coordination Centre (2016), *Policy Development Handbook*, https://www.pkc.gov.lv/sites/default/files/inline-files/pkc_rokasgramata_090316_web.pdf (accessed on 21 February 2024). [20]
- Government of Sweden (2024), *Government decision LI2024/01013, Assignment to offer support on strategic planning in regional development work, May 2024*, <https://www.regeringen.se/contentassets/a30b0aafef244ec3959cca3764e90f08/uppdrag-att-erbjuda-stod-om-strategisk-planering-i-det-regionala-utvecklingsarbetet/>. [15]
- Government of Sweden (2024), *Government Offices official website, press release, Support for the regions on strategic planning in their regional development work (in Swedish)*, <https://www.regeringen.se/pressmeddelanden/2024/05/stod-till-regionerna-om-strategisk-planering-i-deras-regionala-utvecklingsarbete/>. [14]
- Ministry of Regional Development of the Czech Republic (2024), *Portal of strategic planning of the Czech Republic*, <https://mmr.gov.cz/cs/microsites/portal-strategicke-prace-v-ceske-republice/uvodni-strana>. [22]
- OECD (2024), *Steering from the Centre of Government in Times of Complexity: Compendium of Practices*, OECD Publishing, <https://doi.org/10.1787/69b1f129-en>. [1]
- OECD (2023), “OECD Public Governance Reviews: Czech Republic. Towards a More Modern and Effective Public Administration”, <https://doi.org/10.1787/41fd9e5c-en> (accessed on 6 November 2023). [4]
- OECD (2023), *Public Governance Monitor of Sweden*, <https://doi.org/10.1787/086f9b89-en>. [13]
- OECD (2023), *Strengthening strategic planning and the role of PlanAPP in Portugal*, OECD Publishing, Paris. [5]
- OECD (2023), “Survey on Strategic Decision-making at the Centre of Government”. [6]
- OECD (2022), *Centre of government scan of Bulgaria: Strengthening Strategic Decision-making at the Centre of Government*, OECD Publishing, Paris. [2]

- OECD (2021), *Better Governance, Planning and Services in Local Self-Governments in Poland*, <https://doi.org/10.1787/550c3ff5-en>. [16]
- OECD (2020), *Policy Framework on Sound Public Governance: Baseline Features of Governments that Work Well*, OECD Publishing, Paris. [12]
- OECD (2018), *Centre Stage 2: The organisation and functions of the centre of government in OECD countries*, OECD Publishing, Paris. [19]
- OECD (2018), *OECD Public Governance Reviews: Paraguay: Pursuing National Development through Integrated Public Governance*, OECD Publishing, Paris. [17]
- OECD (2015), *Principles of Budgetary Governance*. [18]
- Riigikogu (2024), *State Budget Act*, <https://www.riigiteataja.ee/akt/122122023012#para20lg5> (accessed on 23 February 2024). [11]
- Saeima (2011), “Spatial Development Planning Law”, <https://likumi.lv/ta/en/en/id/238807-spatial-development-planning-law> (accessed on 18 March 2024). [9]
- Saeima (2009), “Development Planning System Law”, <https://likumi.lv/ta/en/en/id/175748-development-planning-system-law> (accessed on 18 March 2024). [7]
- Sīmane, M. (2023), *Latvia’s strategic planning system from Latvia 2030 – to action. Challenges of implementation of long-term strategies*. [10]
- UK Cabinet Office (2024), *Outcome delivery plans, official website of the UK Cabinet Office*, <https://www.gov.uk/government/collections/outcome-delivery-plans>. [21]