



Government of the Future Centre

Where innovation meets transformation
**Embracing the new reality
in the public-service sector**

College of Europe Student Case Studies: Final Report 2011

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The opinions expressed in the case studies are those of the individual student teams, and do not necessarily reflect the views of Accenture, the College of Europe, the Lisbon Council, the Government Executive Innovation Circle or any of their associates.

The Government of the Future Centre

A European research centre and practitioner-driven community dedicated to providing pragmatic and actionable solutions to government agencies and raising the quality and availability of services for citizens.

The 21st century is a time of unprecedented challenge—and great opportunity. The Government of the Future Centre strives to shape a high-performing and innovative public sector, enabling the delivery of sustainable, modern and quality public services. It provides a unique and multi-stakeholder platform for constructive dialogue, exchange of leading practices and formulation of innovative solutions. This network of frontline practitioners, change agents and thought leaders will be complemented by groundbreaking research and analyses in an effort to shape and inform policy developments and the government of the future—a transformation in the way governments do business.

Founded in 2009 as a European research centre and practitioner-driven community, the Government of the Future Centre is dedicated to providing pragmatic and actionable solutions. These solutions are designed to help government agencies and other public-service organisations improve the social, economic and health outcomes of the people they serve through delivery of increased and improved public services. The Centre is a new kind of ideas and solutions hub that recognises the interdisciplinary nature of state transformation and public sector modernisation. Its three founding partners—Accenture, the College of Europe and the Lisbon Council—bring a wide range of experiences and knowledge to this fast-growing community, contributing expertise and guidance to the debates and ensuring broad dissemination for the ideas developed in these fora.

Activities to date

Annual Government of the Future Summits

Thematic High-Level Roundtables on:

- Patient-Centred Healthcare
- Sustainable Public Finances
- Employment and Skills
- Public Procurement

Research study *Driving Public Entrepreneurship: Government as a catalyst for innovation and growth in Europe*, published in collaboration with Oxford Economics.

College of Europe Student Case Studies: Introduction



Tomorrow's Leaders Evaluate Today's Challenges

In 2010-2011, twenty students from the College of Europe were competitively selected to take part in a project on state transformation. They were divided into four teams of five students. Working together with Accenture, the staff and faculty of the College of Europe and the Lisbon Council, each team was asked to evaluate the challenges of a state agency—Italian National Institute for Social Insurance in Rome; Conselleria de Sanitat of Valencia; the Norwegian Tax Administration in Oslo and the Federal Public Service Social Security in Brussels. Each team visited the agency they were evaluating on two occasions to learn about the particular challenges these agencies faced.

In completing this project, the students were coached by a team of top transformation managers at Accenture, the global management consulting, technology services and outsourcing company, as well as by the **Government Executive Innovation Circle**,¹ a Government of the Future Centre-based community committed to developing and implementing solutions to high-level state transformation challenges. Members of the Government Executive Innovation Circle met with the students in Brussels in February 2011, and later agreed to evaluate the case studies, awarding prizes to the best submissions. The case studies were presented in Brussels in May 2011 at **The 2011 Government of the Future Summit** to a top-level VIP audience, including Jean-Claude Juncker, prime minister of Luxembourg and president of the Eurogroup.

Government Executive Innovation Circle

Chair

Meglana Kuneva

*Chair, Government Executive Innovation Circle
Former Commissioner for Consumer Affairs,
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¹ Formerly known as the High-Level Public Service Network

Forewords

*Foreword by Meglena Kuneva
Chair, Government Executive Innovation Circle
Former Commissioner for Consumer Affairs, European Commission*

Innovation is the buzzword of our times. No political leader or policy intervention seems to get by without it. Yet, for all the talk about innovation, our use of it continues to be fairly constrained—applied mostly to products, and almost exclusively to the private sector. Given that almost all of Europe’s grand challenges—be it ageing and education or mobility and health—lie squarely in the public domain, it is time to define the concept of innovation more broadly.

Against this backdrop, we need a Europe-wide reflection on how many services that are key to our citizens can be made more modern, more responsive—and yes, more innovative. If we succeed, innovation will be a term that will carry inherent meaning to the people of Europe because the accompanying changes will provide tangible improvements and deliver more and better services. And thanks to modern technologies, particularly collaborative platforms and online feedback tools, it is entirely feasible for citizens to co-create public services, being an integral part in the design and execution of key deliverables.

As a former European Commissioner for consumer affairs, I know of the transformative power that users and consumers yield. It is high time that we start using the unique ingenuity, the first-hand insights and collective power that our citizens possess, and work in tandem with the dedicated and committed providers of public services across Europe. Together, I believe, we can make the public sector fit for the 21st Century, meeting

the requirements of a new era and responding to a new set of challenges such as profound demographic change or the move towards a low-carbon economy. This move towards co-creation and collaborative innovation is all the more urgent in view of the precarious public finances in most European countries. For the sake of our children and future generations, we must create a world in which fiscal discipline goes hand-in-hand with a well-functioning, flexible and responsive state.

I firmly believe that the current state of affairs can be an opportunity, and my optimism is driven by my experience and interaction with the next generation of leaders. In my capacity as chair of the Government Executive Innovation Circle, the advisory body of the Government of the Future Centre, I have the pleasure of leading a jury that evaluates case studies prepared by College of Europe students on key state transformation challenges faced by public administrations. The energy that these young people possess, their curiosity and intellectual leadership, not to mention their commitment and dedication to public service, gives me great hope for the future. And I trust that you, as readers, will be as inspired by—and impressed with—their analysis as I am.



*Foreword by Professor Jörg Monar
Director of Political and Administrative Studies, College of Europe*

Public services are about delivering essential public goods to citizens. They account for much of the social, political and economic stability we have become used to in Europe. Public support for governments and even the legitimacy of state structures, depend to a considerable extent on public services fulfilling their functions. There is not one of us who has not in one way or another already benefitted repeatedly from public services—and there are many for whom, at various stages of their lives, these services have been, or will be, of even vital importance.

Yet in spite of their fundamental role in our societies, public services can clearly not deliver everything to anyone in unlimited quantity. The enormous growth of these services in European countries since 1945 may have made many citizens and some politicians forget this inconvenient, though banal truth. Today, in these times of financial and budgetary crises, it has come back with a vengeance. And this to the extent that there is now a serious risk of indiscriminate cuts in public services—with potentially devastating effects, not only on the quality of delivery to citizens but also on the investments made by taxpayers in building up services in the past.

It is perfectly clear that public services in Europe are in need of reform, but these reforms should be aimed at delivering more efficient services within a tighter budgetary framework—and not just at a general downsizing. This means thinking innovatively about a better targeted use of

limited resources, new approaches to identifying priorities, a better use of modern technologies for efficiency purposes and designing new ways of organisation and communication in delivering services. Last, but not least, it also means bringing public administrators, with their huge experience, fully into the reform process and convincing them that there are more opportunities than threats in this period of change.

The competitive public service innovation training project, whose results are presented in this publication, has been guided by such a constructive and positive approach. Thanks to the generous support of Accenture and the Lisbon Council, 20 students of the Political and Administrative Studies Programme of the College of Europe have been given the opportunity to work on four concrete public service reform projects in four different European countries. The College, which has been preparing young Europeans for leadership functions since 1949, is most grateful for this unique opportunity. But we are also proud of our students who had to complete their projects under enormous time pressure on top of their already very demanding study requirements—and have shown, as we believe, all the potential of young, innovative thinking which Europe needs.



*Foreword by Antoine Brugidou
Global Director, Management Consulting, Health and Public Service,
Accenture*

Building on last year's success, the students from the College of Europe have impressed us yet again with the boldness and insight with which they have addressed this year's State Transformation Case Studies. With most of Europe still reeling under massive fiscal deficits, high rates of unemployment and other social challenges, the students needed to go beyond 'doing more with less' to truly thinking about 'innovation'—not only how governments can innovate public service delivery but also how they may play an enabling role in economic renewal.

In these turbulent times, we are faced with challenges and unique opportunities—to re-invent the state, re-shape public services and re-build trust between citizens and governments. Through multiple fora at the Government of the Future Centre—the Summit, Government Executive Roundtables and more specifically the State Transformation Case Studies—we have gained an opportunity to examine some of these issues more closely; how to get people back to work and off benefits; how to administer welfare and benefits in a more integrated and efficient way; how to manage the rising demands of an ageing society through new health management models and how to help repair the dire state of Europe's public finances.

Over the past year, the student teams have worked with leading public service agencies across Europe—Italian Institute of Labour and Social Policies, FPS Social Security in Belgium, Valencia's Regional Health Authority in Spain and the Norwegian Tax administration—to help address these key social and economic challenges. I congratulate the teams for their excellent work in getting to the heart of the

issues, benchmarking these organisational challenges and opportunities with other peer agencies across Europe and developing practical, actionable recommendations. We are grateful to all the clients and their teams involved in the case studies for providing considerable support to the students and for giving access to key people and resources within their agencies. A number of these agencies have mentioned that they will be looking to take forward some of these transformation programmes in the next few years.

On a final note, while there is much promise in these new ideas and proposed innovations in public service delivery, the true test in the days, months and years to come will be execution. Such execution will be contingent on a willingness to change, to adapt to the new times of austerity, and to take difficult decisions with the conviction that these actions will create a safer, healthier, wealthier and more sustainable future for the next generations. Such outcomes will demand a fundamental re-think of the role of the state—breaking with traditional, archaic models of public-service delivery where government is only seen as a provider of services, to a scenario where government is a catalyst, working with multiple stakeholders across the private sector and civil society. In this way, governments would be able to optimise the spread of public resources across the economy and lay the foundation for growth, enterprise and jobs.

We believe the Government of the Future Centre will play a key role in continuing to bring these insights, leading practices and recommendations to state transformers.



*Foreword by Ann Mettler
Executive Director, The Lisbon Council*

Against the backdrop of the financial and debt crisis—and in view of grand challenges such as demography and climate change—the very nature of the state is transforming dramatically. This is due to three underlying trends which will profoundly alter how governments do business. First, we will witness a steady rise in demand for government services in coming years and decades, particularly due to the ageing of our society that will put strains on our systems of health care provision, eldercare and labour markets. Second, we are witnessing the coming of age of a generation that has grown up with modern information technologies. These ‘digital natives’ will expect to interact with government in a completely new way, demanding opportunities to co-create public services and insisting on feedback mechanisms and tailor-made products. Third—and this is perhaps the most forceful driver at this moment—are the severe constraints on public finances, which will force governments to be strategic about their investments and diligent about the effectiveness of spending.

Sadly, this larger transformation of the state, driven by the three factors mentioned above, is too often portrayed as being only about austerity, about cutting public services and about the gradual withdrawal of the state. This rightfully frightens people as the need for public services—be it in education and security or mobility and social welfare—is evident. But perhaps herein lies the opportunity to re-think and re-design how the state functions, to improve services based on the latest know-how and technology, and to make deliverables more citizen-centric and user-friendly.

By all accounts, this is not a time for “business as usual,” and it is my firm belief that if Europe seizes this opportunity and rises to the challenge, the result might well be more, and better, public services. This would be a message of hope and inspiration in these times of economic hardship and a positive signal that, surely, would go a long way to restore people’s faith in the future.

For sure, today’s young people will be key to delivering on this promise. That is why the Government of the Future Centre has students at the heart of its activities. The case studies that you are holding in your hands, prepared by four outstanding student teams from the College of Europe, are the product of sharp analyses, astute interviewing and collaborative ingenuity. They are proof that a curious, open mind can bring to the fore new answers and productive solutions, and are a welcome reminder that the future is now. In this spirit, I want to thank the College of Europe—and, in particular, the participating students—for their outstanding contribution to our reflection on the future of government.



Case Study

Getting People Back to Work in the Post-Crisis World

Client

Italian National Institute for Social Insurance, (Istituto Italiano della Previdenza Sociale, INPS), Rome, Italy

Objective

Analysis of Short Term Work Schemes in Italy (CIG) to understand how to provide troubled enterprises a sustainable path to recovery and strengthening the link between welfare support (passive policies) and training (active policies)

Team

Valérie Enjolras (France), Luigi Fabbri (Italy), Alessia Guarino (Italy), Gonzalo Herrera Domínguez (Spain), and Can Mindek (Turkey)

European economies have been hit hard by the unprecedented global economic crisis; one of the major casualties has been the labour market. Governments are coping with the twin challenge to encourage growth and get more people back into jobs, while having to maintain households' standard of living and employ expensive passive policy interventions. Several European economies observed a spike in the unemployment rates during the crisis period (for example, Spain and Denmark) whereas some exceptions such as Germany, witnessed an "economic miracle" with employment actually rising through 2007 and 2009. Italy's employment rate remained fairly constant at 8.1 percent, largely owing to the interventions of the wage guarantee schemes.

The client INPS is the primary body managing the collection of mandatory contributions and is responsible for the payment of pensions and social benefits in Italy. The focus of the case study was on the Temporary Benefits Directorate, which is responsible for the management of benefits related to employment termination and reduced working. In the case study, the team looked at providing recommendations on increasing conditionality—through the implementation of short-time work schemes while contributing to the 'unification' of the different existing schemes—and strengthening the link between active and passive labour market policies to improve workers' employability. The team conducted an extensive benchmark analysis reviewing various social models of income protection as well as examining the opportunity to bring these different mechanisms under a single European Union (EU) scheme.

Most European governments have responded to the economic crisis by implementing a specific kind of shock absorber, known as *short-time work schemes (STWS)*, that provide employers with certain flexibility in the management of human resources. The use of STWS increased dramatically after the global economic crisis, and had increased by nearly a factor of three within the EU-27 by 2009. Italy, too, has implemented the scheme extensively through the Wage Guarantee Fund (*Cassa Integrazione Guadagni-CIG*) which promises continuity of income and employment of temporarily laid-off workers: it proved to be particularly successful in maintaining employment





in Italy as a passive labour market policy tool by providing companies and workers with high levels of income support. However, the scheme has two main challenges—firstly, CIG is widely used by firms which do not offer the prospect of future development and this weighs heavily on public expenditure. Secondly, the link between active and passive labour market policies, which is an important factor in increasing the employability of workers, is weak within the framework of CIG. The team, therefore, looked at addressing the following issues—how to increase conditionality thereby strengthening the efficiency of CIG, and how to improve the employability of workers by strengthening the link between active and passive labour policies.

Within the framework of “**better conditionality**,” the first recommendation is introducing the obligation for firms to pay social contributions throughout the duration of CIG, with the proposal to reimburse these contributions when CIG has put the firm on a solid recovery path. This approach has been successfully used in Spain under Expediente Regulador de Empleo (ERE), the main short-time working vehicle. The second related recommendation is to provide support and consultancy to the companies in readiness for *recovery plans*, which must be compulsorily presented to take advantage of CIG, especially for small- to medium- enterprises (SMEs). Finally, the different CIG schemes should be merged into a *single instrument*, which would particularly benefit firms that do not have the administrative and financial resources to deal with long and complex procedures. Examples of such single instruments can be viewed in Spain and Germany, and this approach is strongly supported by the client, INPS.

The second set of recommendations relates to **strengthening the link between active and passive labour market policies**. Looking at leading practices in Germany and some other OECD countries, INPS would benefit from improving their *coordination website*, to address the fragmented structure of the active policies that are decentralized between the central government and the regions. This improvement would offer workers a portal that contains information, statistics and leading practices about active labour policy measures which eventually will help improve

their employability. Secondly, the practices in Denmark, France and the United Kingdom illustrate that short-time workers are considered as “*job-seekers*,” a status which brings the obligation of following certain training schemes and accepting new jobs under certain conditions. Emulating this approach would allow for a better allocation of the workforce, reduced public financial burden and improved career perspectives for the unemployed worker. Finally, *sector-specific relocation measures* for short-time workers would further boost employability, as increased mobility of workers would contribute to labour market flexibility in Italy.

The history of European integration is full of visionary and innovative steps taken during hard times. In this vein, collective action to bring together different leading practices in Member States and establishing common guidelines on the application of short-time work schemes at the EU level would go a long way toward embracing innovation. While some of the interventions proposed are outside the scope of the Union given by the Treaties, the open method of coordination (OMC) can serve as the legal basis for action at a European level. This will also facilitate the vision of the internal market from the perspective of encouraging the free movement of persons and workers across Europe.

Case Study

Paving the Way for Sustainable Healthcare Delivery

Client

Conselleria De Sanitat (Regional Health Authority),
Valencia, Spain

Objective

Evaluate the 'Valencian model,' both operationally and financially, to identify key improvement opportunities and leading practices that can be exported as part of an EU platform

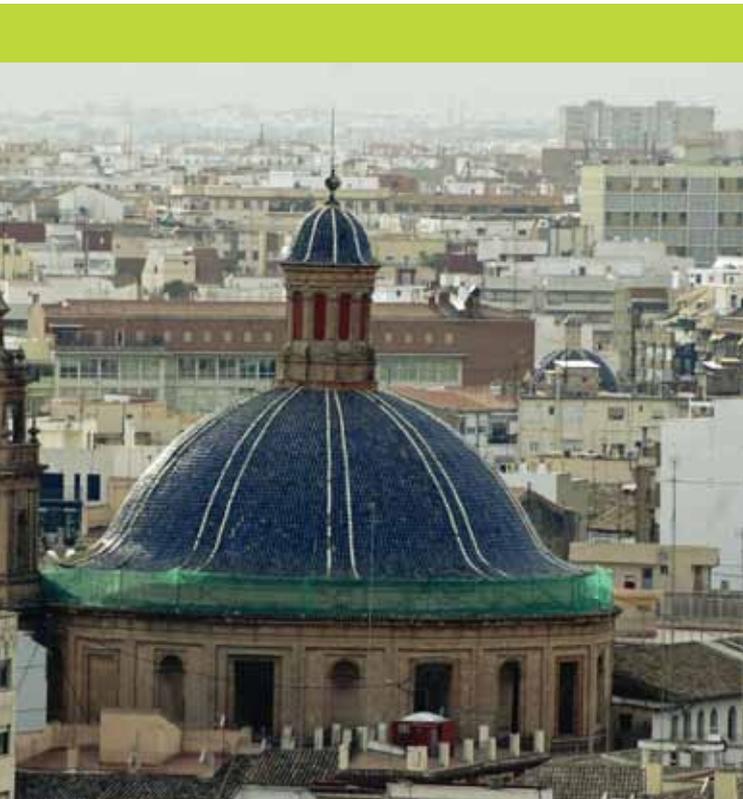
Team

Laure Antoniotti (France), Claire Baffert (France),
Loretta Marshall (UK), Camilla Randazzo (Italy),
Pierre Steverlynck (Belgium)

Demographic change is transforming the European Union (EU). Ageing populations require a larger supply of public services such as pensions and, more especially, healthcare. The healthcare sector has to cope with costly challenges—namely the rise of chronic patients and patients with long-term conditions—leading to an increase in the cost of ageing, which represented 23 percent of EU gross domestic product (GDP) in 2007, and could reach 28 percent in 2060. In this time of crisis, the challenge is not only to find ways to reduce the costs of healthcare, but also to maintain and, where possible, improve the quality and accessibility of the services delivered.

In response to the changing economic climate, many EU Member States such as Spain, Italy and the United Kingdom have chosen to implement Public Private Partnerships (PPPs) as a step toward more efficient and flexible governance. In Spain, the client, Conselleria De Sanitat (Regional Health Authority), in Valencia has created one of the most elaborate PPP structures in the healthcare sector: the Alzira model, a special form of PPP or concession model with public financing, control and ownership but with private management and delivery. The model is based on two interrelated pillars: the integrated management of primary and hospital care and the *per capita* payment. However, the model still struggles with several inefficiencies, including lack of integration between different levels of care, and limited visibility of the patient journey; these factors often result in the duplication of tests and treatment.

The study focused on tackling these inefficiencies at two levels—firstly, the improvement of the quality of healthcare services, by reducing process inefficiency gaps and unnecessary expenditure; secondly, the sharing of leading practices across Valencia and the contribution to a platform of innovation and guidance for other Spanish regions and the wider EU. This objective had to be addressed within the backdrop of several limitations, especially, limited budget, a difference in the ways of working between the public and private models and the political climate. The concession model, however, offers room for manoeuvre due to the priority given to cost-efficiency, flexibility, innovation, and the application of management techniques.





Improving quality at a reduced cost will require the analysis of several core issues: reducing healthcare demand, improving the integration of the model, fostering greater cohesion between both public and private hospitals and improving the model's cost efficiency. Several solutions are available to tackle these challenges.

In Valencia, 60 percent of the population is suffering from a chronic disease in addition to the elderly who represent 17 percent of the population; placing a great deal of pressure on the healthcare system. Reducing the healthcare demand will ease the financial burden whilst allowing patients to receive their care more rapidly. In the short- to medium-term, healthcare demand can be reduced by developing self-care for chronic patients and home care for elderly patients.

Following initiatives already developed in one of Valencia's public hospitals, La Fe, a team of nurses should be set up to act as a point of contact for chronic patients using self-care. At the regional level, patients will be able to receive relevant information and support through a chronic care centre management based on Information and Communications Technology (ICT) and electronic health devices. For elderly patients, investing in home care and the deployment of intermediate care centres that can allow discharged patients to return home in an efficient and effective manner will be essential. In the long-term, prevention campaigns like those spearheading health awareness in schools will be an integral solution to widely reduce healthcare demand.

Improvement of efficiency, both in terms of quality and cost reduction, is best achieved by enabling medical staff to spend more time with patients and by filling the gaps in the administrative journey. One of the recent innovations is the use of new electronic devices such as medical trolleys by nurses allowing them to spend 60 percent more time with patients. The administrative patient pathway is often inefficient with a high degree of duplication and multiple points of contact. A direct transfer of the patients' electronic health records (through a health management application) between medical centres can significantly reduce the number of appointment requests and the time

it takes to register patients. These applications can be linked up with other care centres and departments within the Valencian Region to create a regional health information exchange. Encouraging specialists to spend some time in Primary Care Centres was observed to be very beneficial as it brought health services 'closer to home' and allowed the exchange of knowledge between the different levels of care—bringing positive knock-on effects.

At a time when public action becomes more and more complex and involves a variety of players, the essence of good and sustainable governance lies in accountability. Although they are not a panacea or an end-goal, PPPs are a credible answer to these challenges, as evidenced by their use in the European countries mentioned. Convinced by the efficiencies of an EU platform to ease the exchange of standards and encourage good practices, the team recommends the creation of a horizontal PPP unit in the European Commission.

Case Study

Tackling the Tax Gap

Client

Norwegian Tax Administration

Objective

How to improve information sharing at an international level to decrease the tax gap in Norway

Team

Elisa Bruno (Italy); Brian Gillot (Italy and Belgium); Stefan Kühne (Switzerland); Nathalie Rubin-Delanchy (United Kingdom and France); María Eugenia Villegas Terán (Spain)

An OECD study comparing the level of tax as a percentage of a country's gross domestic product (GDP) in Norway, Iceland and the EU 27, shows that Norway's tax level is more than 5 percent higher than average. Interestingly, the shadow economy in Norway was estimated at nearly 19 percent for 2002-2003, that is, 2.3 percent higher than the OECD average. However, these estimations are still the subject of debate. The Sustainability of Public Finances team worked with the Norwegian Tax Administration (NTA) on how to tackle the tax gap in Norway. The NTA estimates corporate tax evasion to amount to €12.8 billion, which means 10 percent of taxes due from corporations are currently evaded.

The NTA asked the students to focus on small- and medium-enterprises (SMEs) and individuals, as large companies have greater difficulty in evading taxes as a result of an assigned tax official.

The case study focused on three main questions: whether other countries have information on Norwegian companies or citizens abroad and where this information is recorded; how this information could be exchanged; and relevant learnings from the European Union (EU). To formulate their recommendations, the students analysed international benchmarks and identified innovative leading practices from countries which are highly active in tackling tax evasion, such as the USA, India and others, and have a similar structure and economy to Norway. The recommendations are based on three main issues: information collection; information exchange; and taxation structure.

In terms of information gathering, the students' observed that the NTA must trigger voluntary information disclosure using incomplete tax data as a threat. The NTA may use a privately-owned Swiss database, which links firms to the individuals owning shares or holding managerial positions, and expand this to integrate links between Norwegian and Swiss firms. The NTA are able to use this approach to identify similar databases in relevant countries, to produce a tax form which is partially pre-filled by the relevant authorities in host countries, thereby encouraging citizens to complete the form accurately.





Accessing information from foreign banks directly, the NTA can set up a register of "qualified intermediaries" that enter a voluntary agreement to cooperate with tax authorities. In particular, a qualified intermediary would have to identify all of its account holders that are Norwegian persons and report all payments received on their behalf. Additionally, foreign bank account holders must, if their accounts contain a certain amount of funds, file a report on their revenue abroad, with no obligation if no tax is paid. Finally, a fear of tough governmental action can lead to tax compliance; for example, India's aggressive positioning regarding tax minimisation and capital evasion.

The second set of recommendations relate to information exchange. Norway may utilise the EU Savings Directive that provides automatic information exchange on individuals' bank savings interest between EU Member States. Another means identified was to level the tax base for specific corporations in exchange for information which requires a decision to be taken in collaboration with the European Member States and the Commission. It consists of creating a Common Consolidated Corporate Tax Base (CCCTB) in Europe that can be used only by certain types of organisations. The NTA may participate in this EU-level project, by applying the CCCTB to specific types of corporations that are of interest.

The NTA may also acquire information from parent-subsidiary companies by reducing tax burdens. This recommendation would require a high level political, as well as an international agreement with the EU Member States. The parent-subsidiary directive would allow the NTA to use international corporations' tax benefits to collect information on the structure of a Norwegian business. Additionally, the NTA must take a cooperative, strategic approach regarding the implementation of country-by-country reporting, which can be used to mitigate tax avoidance and evasion, improve tax governance as well as offer insights to investors. Acquiring a global overview of corporations' activities via a consolidated tax form will demand international cooperation, but can be initially actioned in the Nordic countries.

The final recommendations address the taxation structure; that is, removing the distortion between debt and equity to make the cost of financing companies more balanced. Corporate tax systems favour debt financing over equity financing, as return on equity is not deductible while debt is deductible. To eliminate this distortion, two different measures exist: the Allowance for Corporate Equity (ACE) and the Comprehensive Business Income Tax (CBIT). These measures must be implemented in tandem to ensure fairness.

The students found that the NTA is considerably advanced, and the EU can learn much from Norway. The Norwegian emphasis on transparency and the availability of third-party information encourages tax compliance. The extensive use of IT in public administration transforms business processes and frees up information. The use of value chains: different professional groups such as auditors, accountants and lawyers are involved in changes towards a better tax system, and data openness: the NTA is attempting to set up data openness for research purposes, in collaboration with institutions in Denmark, to derive an understanding of what kind of taxation actually works. The creation of key synergies between the NTA and other tax authorities in the EU would contribute to mutual enrichment and offer a solid basis for future cooperation.

Case Study

Granting Social Rights in Belgium

Client

Belgian Federal Public Service Social Security

Objective

Defining a new business model which combines efficiency targets with ecological demands, against the backdrop of an ageing population

Team

Rada Chechlarova (Bulgaria and France); Barbara Cooreman (Belgium); Sonja Linskeseder (Austria); Margot Galeziak (Poland); Miguel Mateos Muñoz (Spain)

Against the backdrop of an ageing society in Europe and a renewed emphasis on reforming social security institutions, the Belgian Federal Public Service (FPS) Social Security is faced with multiple challenges such as severe budgetary cuts; the pressure to reduce its ecological footprint; an ageing population as its customers; and an ageing workforce —among which 40 percent will retire within five years and will not be fully replaced. As a response to these challenges, the FPS is keen to start thinking today about an innovative way to grant social rights for tomorrow.

FPS Social Security has four key missions: to ensure strategic policy coordination and support, bring high quality social services to users, support the fight against social fraud, and pursue operational excellence. The FPS performs its tasks in cooperation with 16 regional social security agencies, each responsible for granting different benefits to citizens. The objective of the project was to develop a series of guiding principles, extracted from innovative examples, for granting social rights in the most efficient and “green” way. For each principle, the link to Stargate, a program at FPS Social Security related to the access, transfer and sharing of knowledge between the different partners, was identified to increase the practicality and relevance of the findings.

The study proposed a comprehensive delivery model based on two aspects of granting social rights—the organisation, and the execution of granting rights. To illustrate the guiding principles on granting social rights in the future, international benchmarks and leading practices were analysed, taking into account countries that were similar to Belgium in terms of structure, population and economy. At an international level outside of Europe, the choices were based on more radical motives such as the level of innovation or extremes of size, population or structural needs. The client specifically requested that the team thought “outside the box,” to present new, challenging and innovative ideas to deliver social benefits, whilst considering the constraints of the current Belgian situation. Within this context, the team was also encouraged to analyse how new technologies and paradigms can be used to improve the process of granting social rights.





The team outlined ten broad recommendations to the FPS, proposing ways to become innovative in granting social rights.

The first set of recommendations concerns the *guiding principles in the organisation of granting social rights*. To improve user friendliness and be able to grant social services to segments of the population such as the digitally excluded, immobile and foreign citizens, it is crucial that the FPS provides alternative and adequate facilities for official documents/services. This includes using resources more efficiently, for example, expanding the number of languages available via the website thereby reduces the number of people contacting them through more expensive channels. Additionally, a deterrent for website visitors is being overwhelmed by irrelevant data—if the information provided on the website is segmented, users can more easily find what they are seeking. Forms must be available to customers within a few clicks, providing fast and easy access to information, as well as promoting efficiency. Web 2.0 technologies and social media may be considered, which would allow the FPS to communicate with their customers and address their problems in real time. A means of continuous improvement for the FPS is to monitor satisfaction, taking into account its users' needs and adapting its services and delivery according to user demand. Additionally, the FPS needs to become more accountable and transparent, thereby increasing the public's confidence in the agency.

The next set of guiding principles relates to the *execution* of granting social rights, such as making use of mobile applications to provide information to users anytime, anywhere, whilst being "green," cost effective and in tune with the demands of the population. Greater collaboration with local partners is essential. For example, at locally equipped kiosks, people can access multiple services via a "one-stop-shop." The power of the Internet must not be underestimated: by providing a range of useful everyday services online, the FPS will be able to improve its ecological footprint as well as drive efficiency.

On the European dimension, since Member States work in the field of social security using the open method of coordination, the European Union (EU) cannot impose any regulations on them at this level. However, within this framework of political cooperation, countries can agree on objectives and indicators and regularly assess their progress. The common objectives of harmonisation could, for instance, involve the number of languages and structure in which the national website is available, so that citizens always know where to find the information they seek. Another recommendation could be elaborating an EU charter for online users where all their rights will be outlined. Finally, the European Commission could make its initiatives, such as publishing regular benchmarking on e-government, better known to the national social security services, to enable peer institutions to learn from each other.

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