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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 EUROPEAN CENTRE FOR GOVERNMENT TRANSFORMATION

The 21st century is a time of unprecedented challenge – and great opportunity.

The European Centre for Government Transformation 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 best practices and formulation of innovative solutions. This network of frontline practitioners, change agents and thought leaders is complemented by ground-breaking 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 European Centre for Government Transformation is dedicated to providing pragmatic and actionable solutions 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. It 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 broad 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.





Maarten Camps, Secretary-General of the Netherlands Ministry of Economic Affairs, Chair of the High-Level Group for Competitiveness and Growth of the Competitiveness Council, hands out the 2017 Public Service Innovation Award to College of Europe Students

Activities

Thematic High-Level Roundtables on

- Tax and Revenue Collection in the Digital Age
- Smart Border Management
- Digital Government
- Employment and Skills
- Sustainable Public Finances
- Public Procurement

Collaboration with the European Commission's Research and Innovation Directorate-General

- College of Europe Students State Transformation Case Studies Based on the Winners and Finalists of the European Capital of Innovation Award (iCapital Award) and the European Prize for Innovation in Public Administration (PIPA Prize)
- Roundtable on Public Sector Innovation
- Launch of the Final Report by the Expert Group on Public Sector Innovation
- Fringe Session on Public Sector Innovation at the Innovation Convention

Annual European Summits for Government Transformation and Award Ceremonies

Landmark Publication *Delivering Public Service for the Future: How Europe Can Lead Public-Sector Transformation*, a unique collection of thoughtful essays on the future of public-sector reform and state modernisation by 12 of Europe's leading thinkers and policymakers



Executive Briefings on Key Themes, such as Employment, Public Procurement and Digital Readiness

Research Study *Driving Public Entrepreneurship: Government as a Catalyst for Innovation and Growth in Europe*, published in collaboration with Oxford Economics



Tax and Revenue Collection in the Digital Age High-Level Roundtable for Government Executives

COLLEGE OF EUROPE STUDENT CASE STUDIES: INTRODUCTION

Tomorrow's Leaders Evaluate Today's Challenges

In 2016-2017, 12 students from the College of Europe were competitively selected to take part in a project on state transformation. They were divided into three teams of four 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 public agency, chosen among the winners and finalists of the **European Capital of Innovation Award (iCapital** Award), awarded by Carlos Moedas, European commissioner for research, science and innovation. The selected cities are Amsterdam. Milan and Paris. Each team visited the administration they were evaluating to learn about the particular challenges they faced, and ultimately help them better understand their public-sector challenges and improve their innovation strategies.

In completing this project, the students were coached by a team of top transformation managers at Accenture, the global management consultant firm, as well as by the **Government Executive**Innovation Circle, a European Centre for Government Transformation 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 2017, and later agreed to evaluate the case studies, awarding a prize to the best of them. Later in the spring, the case studies were presented at a major policy event, where the winning College of Europe student team received The 2017 Public Service Innovation Award.



GOVERNMENT EXECUTIVE INNOVATION CIRCLE

Chair: Gertrud Ingestad

Director-General, Informatics, European Commission President, State Transformation Case Study Jury

Members:

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Professor, European Political and Administrative Studies, College of Europe

Paul Hofheinz

President and Co-Founder, The Lisbon Council

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Case Study Jury

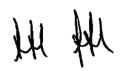
By Gertrud Ingestad
Director-General, Informatics,
European Commission
President, State Transformation

Making it easier for everyone to interact with governments all over the European Union is the ambitious objective of ISA, the Interoperability Solutions for European Public Administration, and its second iteration, ISA2. This programme, driven by the European Commission's directorate-general for informatics, which I have the honour of leading, is essential in our quest to modernise the administration in practice because it makes the public sector more accountable for its actions and procedures - which is, in turn, key to ensure that people (the end users and the civil servants) approve the move and trust their institutions. Moreover, building interoperable public services and systems facilitates the exchange of best practices between administrations from different levels of power and/or from different member states. This represents an invaluable pool of experience that can be shared across the Union, so that everyone benefits from the savoir faire developed under different skies and moves towards more efficient and responsive public services.

Because this is what citizens demand today. They want public administrations that recognise eIDs and implement the "once-only" principle, to name only but a few technical procedures that can really transform the public sector in Europe. And to enable public administrations to move in this direction, we need people on board. And it's all about people: the end users, who should have a great experience while interacting with their public services; but also those civil servants who are currently in charge and want to build the administration of the 21st century.

And finally, this is about those who will be using these public services in the future, or who will be in charge of running these administrations in the future. The young generation is probably the most demanding one when it comes to getting tailor-made, 24/7 services, and that is why we need to ensure that we co-design the European Administration 2.0 with them.

That is also why I was so pleased to participate in the European Centre for Government Transformation this year and to chair the Jury of European civil servants who are evaluating state transformation case studies elaborated by 12 students from the College of Europe. I was expecting a lot of inspiration and enthusiasm from the young leaders who worked so hard to come up with innovative concepts in order to scale up unconventional ideas implemented by creative local authorities. But it went far beyond that! When I listened to these young and bright minds, what I heard was passion, passion to challenge the status quo, driven by a fearless and fun attitude. I hope you will have the same feeling when you read the final conclusions of the three case studies in the forthcoming pages of this report. It certainly gave me inspiration for my work and I can only hope it has the same effect on you.



By Professor Olivier Costa
Director of European Political and
Administrative Studies, College of Europe



Decades ago, most of the former students of the Department of Political and Administrative Studies of the College of Europe were working in the European institutions in Brussels, Luxembourg or Strasbourg. This is no longer the case, but more than a third of our recent alumni do work in the public sector, at all kinds of levels: European, for sure, but also international, national, regional and local.

The reaffirmed attention paid by the new generation to the public sector mirrors its values and objectives. Today, its priority is not so much the income level or the prestige linked to the function, but a complex mix of working conditions, stability and quality of life, as well as noble goals, such as contributing to missions of general interest. The concern of young postgraduates for public services and institutions thus comes at a price. On the long run, they do not want to settle for a position only because it is stable and decently paid: they also need it to be intellectually challenging and helpful to the community. They want to shape public services and public institutions, to transform them, to participate in their modernisation process, to overcome the current crisis of confidence in public authorities. They expect to adapt public action to the evolutions of society and technology, because action and change are not the privileges of private companies.

This is why our students are so interested in the **European Centre for Government Transformation** Project. They are obviously motivated by the idea of gaining some professional experience, working with skilled consultants, and meeting high-level political and administrative leaders, but, beyond that, they are also driven by the objective of contributing to the reform of public services and to the development of new projects by public authorities. With the ongoing support of Accenture and the Lisbon Council, 12 students of the POL Department had the great privilege to work once more on public service reform projects that are being undertaken in three different European countries. They have enjoyed advice and training of high-level professionals who were most generous and accommodating in giving of their time and sharing their insights.

The College of Europe, which has been preparing young Europeans for leadership functions since 1949, in both private and public sectors, is most grateful to Accenture and the Lisbon Council for such opportunity. We are also very proud of our students who worked on their projects on top of a highly demanding study programme at the College. They have, one more time, shown that it is possible to support the European conception of public services by creative thinking. We hope that their analyses and proposals will be valuable contributions to this end.





By Bernard Le MassonGlobal Managing Director,
Public Service, Accenture

Building a sustainable Fab City, scaling up the connected enterprise with manufacturing 4.0, or being an active public entrepreneur are just a few of the ideas that can make a difference to forward-thinking governments across Europe. And these are not the only challenges they face, with budget constraints and the expectations of constituencies continuously rising.

Citizens are showing a growing appetite for transparency in public policies—and an eagerness to be part of the decision-making process, too. Societal awareness about green issues across the European economy while preserving local ecosystems is increasing. To make this demanding situation even more complex, governments are facing further scrutiny from businesses around their ability to address local and competitive economic growth in an age of global digitalisation.

Governments need to tackle these challenges and drive forward their transformational journey. They must seize opportunities to deliver added-value outcomes to constituencies while raising their game to meet the broader expectations. There may be difficulties but, without doubt, progress can be made. Two areas that will make a difference in meeting wider users' demands and stimulating sustainable economic growth across Europe include:

- a cultural mind-set shift that enables governments to foster participative e-democracy in public decision-making
- a behavioral change, where governments are empowered to become a platform in the economy by connecting the ecosystems of citizens, businesses, academia and the civil society to co-create and co-deliver digitally enabled services.

In reality, some leading governments across Europe are already embarking on this transformational journey. Among them we can count the cities of Amsterdam, Paris and Milan where we find three of this year's winners and finalists of the 2016 European Capital of Innovation Award granted by the European Commission. The transformation that the three capital cities are currently seeing—whether turning Paris into a Fab City, bringing manufacturing 4.0 into Milan's urban strategy or making Amsterdam City Council the public entrepreneur at the center of the social innovation ecosystem—reinforces the view that government as a platform is critical to turn innovation strategies into an impactful reality in Europe.

These three capital cities have collaborated over a period of six months with the European Center for Government Transformation to convert their ideas into operational pilots. In doing so, they highlight how valuable, relevant and vital it is for government to respond to the innovation imperative by adopting a platform approach. Over time, the European Center for Government Transformation is even more committed to turn the ideas of award winners and finalists into tangible and scalable pilots, skill-up talents and foster digital innovation in government to help Europe compete—and make its labour markets fit for the digital age.

Ann

By Paul HofheinzPresident and Co-Founder,
The Lisbon Council



It's become a common mantra to say that ours is an age of cynicism, of "post-truth politics," of a race to the bottom where democracy must prove itself still fit for purpose and strong enough to survive.

How refreshing, then, to run across this fantastic set of essays, conceived by three teams of College of Europe students, who completed a one-year Master's level course in public administration at the College of Europe. It's not just the essays themselves that demonstrate an inspiring and unequivocal desire to make the world a better place - starting with concrete action today. It's also the amazing spirit of civic engagement they capture which includes not only the very bright students who wrote these essays, but also the amazing communities that stand just behind them: the cities of Amsterdam, Milan and Paris, where civil servants opened their doors and allowed these future leaders to study their problems so candidly and to reflect openly with them on how administrative reform could somehow make people's lives better, and the world itself a better place to live.

The European Centre for Government Transformations is in its eighth year of operations. It is itself an amazing example of what collaborative innovation can achieve, looking to bring unique and vastly different partners together around a common set of problems – so we can see what new insight this unusual coalition can bring. In that light, I am deeply grateful to our partners who make this project possible. First and foremost, the College of Europe, which year in and year old, succeeds at performing its historic role: of being the central training ground for the European civil servants of tomorrow. But a special thanks as well to Accenture, the management consulting firm, which does so much to gain access for the students, and to coach and mentor them along the way. Thanks as well to the European Commission, which has so carefully and meticulously nurtured innovation at the local level through the European iCapital Award initiative.

Public service is a noble cause – a fact you might easily overlook in these cynical times. But I think it's the times that get it wrong and not the other way around. The fact is, we really do hold the power to make the world a better place. These students – and their essays – prove it. I want to congratulate everyone who took part in the European Centre for Government Transformation programme this year. Your contribution to life is just beginning. And I hope, in some small, modest way, we've been able to help you learn, think, imagine – and continue to inspire. Frankly, it's not clear to me who is learning from whom – you from us, or us from you. Thank you so much. The best is yet to come.







CASE STUDIES

How can the Paris City Council effectively design its "makers" strategy to promote a local and regional resilient economy?

How can the city of Amsterdam tackle social inclusion through innovative initiatives?

How can Milan City Council boost local sustainable growth through Manufacturing 4.0?



CASE STUDY

OPEN INNOVATION

Clients:

Paris City Council, France

Objective

How can the Paris City Council effectively design its "makers" strategy to promote a local and regional resilient economy?

Team

Maria Luena Collini (IT), Paul Pâques (BE-FR), Manuel Peix Castiella (ES) and Farid Safi (AL-CH)



EXECUTIVE SUMMARY

Beyond a disruptive urban model there is self-sufficiency

Less than five years ago, a disruptive urban model called Fab City emerged. Structured around fab labs (fabrication laboratories founded by a growing community of makers), this new urban model for locally productive and globally connected cities aims at re-inventing communities of neighbourhoods as production clusters in order to achieve self-sufficiency through sustainability. Paris has committed to bring to fruition this socio-economic transformation. This ambitious project was assigned to the Bureau de l'Innovation of Paris City Council, which plays a prominent role in supporting practical rollout of innovative initiatives. This department mandated our team to address the following business challenge: How can Paris City Council effectively design its "makers" strategy promoting a local and regional resilient economy?

Paris: a favourable territory for urban transformation

The innovative culture of Paris, attested by its nomination for the iCapital Award 2016, highlights its strong will to keep pace with innovation. The Fab City project can rely in Paris on enablers including:

- Dynamism of innovative fashion and design sectors;
- United Paris labs through association "Fab City Grand Paris";
- High density of incubators and entrepreneurial actors.

Key takeaways for the journey to become a Fab City

Through a worldwide benchmark study conducted in 14 cities¹, we found out the best practices of fab labs and public actors and identified concrete initiatives to be implemented by our client.

Within the next 6-12 months:

- Setting up actors in motion by encouraging multi-stakeholders' interaction in order to overcome the identified challenge of coordination between actors. Fostering partnerships between fab labs and universities can be easily implemented and at lower costs by drafting a framework agreement, thus providing stakeholders with an inspiring environment enabling job and collaboration opportunities.
- Strengthening the different networks by launching a digital sharing platform will address the challenges related to the novelty of the project. This proposal aims at creating synergies with other actors (incubators, business angels) and gathering makers' offers/needs. It will be actionable by disclosing online joint projects, prototyping requests and any public tender for innovative public solutions.

Within the next 1-2 years:

- Fostering competitiveness and innovation by setting up production clusters. While having a high positive impact on the urban economy, this recommendation may be implemented at medium-high cost in the targeted areas of Paris focusing on the Parisian leading sectors (design, fashion). This can be achieved by setting up an ad hoc tender and carrying out pilot projects.
- Launching a local currency to foster intra-urban business will be highly favourable to small scale businesses, addressing the issue of weak economic sustainability of fab labs. It is to be experimented by a specific unit within a pilot project area.

Our team is strongly convinced that Paris has the potential to achieve this maker strategy. These tailor-made recommendations based on the success of worldwide experiences were conceived to transform Paris into a Fab, if already fabulous, City.

¹ Amsterdam, Barcelona, Berlin, Boston, Bristol, Brussels, Copenhagen, Chicago, Helsinki, London, Montreal, Rotterdam, Santiago de Chile, Shenzhen





CASE STUDY

SOCIAL INNOVATION

Clients:

Amsterdam City Council

Objective

How can the city of Amsterdam tackle social inclusion through innovative initiatives?

Team

Charline Binard (BE), Paul Brans (FR-US), Jean-Christophe Delmas (FR-NO) and Annegret Kempf (DE)



EXECUTIVE SUMMARY

Amsterdam, winner of the iCapital Award in 2016, is a European leader in innovation. The city government distinguishes itself through its "Amsterdam approach", which prizes fast intervention and a willingness to experiment and co-create with civil society. Amsterdam is experiencing a growing gap between increasing average income, and the number of households under Amsterdam's poverty line which reached 23.7% in 2015.

Accordingly, our team was tasked with the following challenge:

How can the city of Amsterdam tackle social inclusion through innovative initiatives?

Our research identified two target groups in Amsterdam that are particularly socially excluded and hard to reach. These are young people not in education, employment or training (so-called "NEETs") and self-employed people without personnel (ZZP'ers in Dutch) in poverty.

Amsterdam's difficulty with reaching these groups is compounded by governance inefficiencies within the city administration that present obstacles to coherent policy implementation. The Amsterdam approach, in the way collaboration with civil society and the innovation ecosystem functions, still leaves room for improvement.

To tackle these challenges, we carried out an in-depth comparative analysis of innovative projects from across Europe that deal with NEETs and ZZP'ers, with a special focus on inclusive approaches towards co-creation with civil society. This, combined with research on social inclusion, and a set of interviews carried out with city officials, stakeholders and academics, allowed us to develop a set of actionable recommendations for Amsterdam:

Recommendations for NEETs:

- A new process for data-gathering and sharing based on partnerships between relevant city departments and educational organisations, employment services and employers;
- A traffic-light system to categorise at-risk individuals;
- Mentoring for young parents considered at risk, based on gathered data.

This will enable Amsterdam to prevent young people from becoming NEET and to provide more tailored intervention. The most challenging part of this will likely be to convince partners to work with the city administration.

Recommendations for ZZP'ers:

- Broaden and centralise the assistance provided for ZZP'ers, to include services such as mediation, accounting assistance, and marketing and strategy advice;
- Create a self-help platform where ZZP'ers can exchange skills and services.

This should be done through a business approach, via the Chamber of Commerce. It will help ZZP'ers overcome business struggles and allow them to participate in the community. These recommendations should be integrated within existing city plans to improve assistance for ZZP'ers.

Recommendations on Governance:

- Encourage the use of inter-departmental "joint-ventures" to bring the right mix of skills to the table, and employ a checklist to ensure these are efficiently deployed;
- Conduct a comprehensive mapping of relevant civil society actors to improve coordination within the administration, and cooperation with the social innovation ecosystem.

This will lead to more effective policies through better-coordinated approaches and should be easy to implement, provided the internal willingness to work together is high.

We explored the problems the city faces, and detailed the above-mentioned recommendations to outline the ways in which Amsterdam, through its cooperation with the innovation ecosystem, can realise the full potential of the Amsterdam approach.





CASE STUDY

MANUFACTURING INNOVATION

Clients:

Milan City Council, Italy

Objective

How can Milan City Council boost local sustainable growth through Manufacturing 4.0?

Team

James Galand-Jones (UK-FR), Alexander Mäkelä (SE), Rebecca Ryder (EI) and Camille Saint-Genis (FR)



EXECUTIVE SUMMARY New challenges for Milan

What comes to mind when one thinks of Milan? Fashion, artisans, crafts, and industry. Milan has a long-standing tradition in manufacturing and constitutes Italy's main industrial hub. However, this historically strong sector is being put under stress. Milan has seen a 50% decrease in the number of manufacturing companies since 2005 coupled with 20% youth unemployment. This economic situation is also characterised by a shift from manufacturing towards services.

Bringing manufacturing back into town

Our objective, in working with Milan City Council, was to promote innovative manufacturing processes to boost local economic growth. Milan City Council is already one of the pioneering local public

administrations in Europe as exemplified by its Smart City strategy focusing on social inclusion, sustainable development, and urban renewal.

The aim is to preserve the city's manufacturing sector through Manufacturing 4.0 – an approach looking to promote modern advances in manufacturing (i.e. using additive manufacturing, networked machinery and digital design) and connecting manufacturing to the service sector. As such, Manufacturing 4.0 exists in the overlap between services and manufacturing, an area that will remain highly relevant for the foreseeable future. This unique approach brings together traditional elements of the manufacturing sector such as crafts and engineering with the new trends of digitalisation.

Starting from the current situation in Milan, we analysed eight initiatives in other countries² and identified six global enablers for the transition to Manufacturing 4.0.

Manufacturing 4.0 enablers



To activate these enablers in Milan, we recommend the following actions to Milan City Council.

Support: Enterprise Lombardy

Upgrading businesses can be costly. To encourage companies to venture into Manufacturing 4.0, the Milan City Council or the Lombardy Region need to provide tangible support. A dedicated organisation could back the emerging ecosystem with business counselling, networking opportunities, and co-financing via grants and innovation vouchers.

Training: Skills for tomorrow

Manufacturing 4.0 requires new skills (e.g. digital design, data management, and networked machinery). The Milan City Council could improve employment outcomes for young, un- and under-employed people by designing new training programmes in collaboration with local SMEs. The city could further encourage citizens to be self-starters by hosting an app-design competition.

Connectivity: Manufacturing 4.0 portal

Manufacturing stakeholders in Milan need a coordinated social hub to support Manufacturing 4.0. Building an online portal bringing together universities, fabrication laboratories, companies, and business facilitators (such as accelerators, incubators, and co-working spaces) will allow citizens, students, entrepreneurs, and existing business owners to get involved. A portal would streamline access to information, encourage productive exchanges, and showcase Manufacturing 4.0 globally to attract business, talent, and investment.



² Belgium, Estonia, France, Germany, Italy, Spain, Sweden, and the United States.

ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world's largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With more than 394,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.



ABOUT THE COLLEGE OF EUROPE

The College of Europe, founded in 1949 and based in Bruges (Belgium) and Natolin (Warsaw, Poland) was the first and is one of the most reputed institutes of European postgraduate studies, which prepares annually up to 400 students from over 55 countries to work and live in an international environment. The European Political and Administrative Studies programme offers a wide range of courses on the functioning and policies of the European Union. In 2015, it launched a new option devoted to "European Public Policy Analysis." Its home page is www.coleurope.eu.





ABOUT THE LISBON COUNCIL

The Lisbon Council is a Brussels-based think tank and policy network committed to making a positive contribution by engaging political leaders and the public-at-large in a constructive exchange about the economic and social challenges of the 21st century. Incorporated in Belgium as an independent, non-profit and non-partisan association, the Lisbon Council is among Europe's most authoritative and thoughtful voices on economic modernisation and social renewal. Its home page is www.lisboncouncil.net.





