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COUNCIL

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DECLARATION ON PUBLIC SECTOR INNOVATION

(Adopted at the meeting of the Council at Ministerial Level on 22 May 2019)

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WE, MINISTERS AND REPRESENTATIVES OF Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Peru, Poland, Portugal, the Slovak Republic, Slovenia, Sweden, Switzerland, Turkey, the United Kingdom and the United States;

RECOGNISING THAT:

1. Governments play an important role in setting and implementing the legal and policy framework for sustainable economies and societies; and in creating the conditions for the effective delivery of essential public services for all;
2. As part of their work for the public good, governments have a range of goals such as the Sustainable Development Goals or societal priorities that imply a need for, or explicitly call for, new approaches;
3. Governments and their public sector organisations operate in volatile, uncertain, complex and ambiguous contexts and must contend with a variety of challenges, such as digital transformation, energy poverty, environmental degradation, climate change and inequality;
4. In such a context, it cannot be assumed that existing structures, processes and interventions remain the most appropriate or effective means for the public sector to achieve its purpose and deliver upon government and citizen needs and expectations;
5. Innovation, implementing something novel to the context in order to achieve impact, is a proactive strategy that governments can use to respond to, adapt to and prepare for this context;
6. The level of innovation that will happen by default is unlikely to be sufficient or sustained without confronting the systemic biases within the public sector for maintaining and replicating the status quo. The latter is a by-product of the need for government and its operations to be stable and dependable;
7. Public sector organisations therefore need to be able to innovate, consistently and reliably, so that an innovative response to any challenge (current or future) that requires a new approach can be deployed when and where needed;
8. To reliably and consistently innovate, public sector organisations need to take a deliberate approach to innovation management, one which builds on previous efforts. An example of such an approach is portfolio management which involves investing in, fostering and leveraging an appropriately diverse range of innovative activities so as to offset the risks that some innovative responses will not work or will be unsuitable;
9. A deliberate portfolio approach to innovation management recognises and appreciates that innovation is multi-faceted, and that each facet satisfies different means and ends. The portfolio entails:
 - a. Enhancement-oriented innovation, which upgrades current practices, achieves efficiencies and better results, and builds on existing structures;
 - b. Mission-oriented innovation, which achieves clear ambitions and priorities, developing new methods and approaches as needed;

- c. Adaptive innovation, which responds to a changing environment and encourages curiosity to interpret and respond to changes in society and in technology;
 - d. Anticipatory innovation, which explores and engages with the uncertainty around emergent issues that will shape future priorities and future commitments;
10. Relying only on activity happening in one facet will not adequately prepare public sector organisations to contend with the differing nature of the challenges that arise. In a portfolio approach, there will be a diversity of activities.

RECOGNISING that the OECD has developed a strong evidence base on innovation strategies and approaches, open government, government regulation, public integrity, gender equality, digital government, resulting in international standards;

I. DECLARE that we affirm our strong commitment to:

A. Embrace and enhance innovation within the public sector

We will endeavour to:

- i. Embrace innovation as one of the ways that governments can achieve their goals and do better for the people they serve;
- ii. Draw attention to and support the innovation that is already occurring;
- iii. Appreciate the multifaceted nature of innovation and take a systemic portfolio approach to innovation that is tailored to the relevant needs, goals and priorities;
- iv. Establish or continue to provide stewardship of the innovation system, mindful of the respective responsibilities and functioning of differing levels of government, and appreciative of the differing degrees of centralisation within governments;
- v. Recognise that innovation, similar to other core functions, requires investment and support to do well.

B. Encourage and equip all public servants to innovate

We will endeavour to:

- i. Acknowledge the advantages that a culture of openness, of learning from errors and of collaboration across silos and sectors offers to the practice of innovation;
- ii. Give permission to public sector organisations and public servants to take appropriate risks and to explore and engage with new ideas, technology and ways of working as part of their core business;
- iii. Provide clarity about responsibilities for innovation, so that everyone knows how they can participate or contribute;
- iv. Recognise that innovation requires and involves a diverse range of skills and capabilities, and motivation;
- v. Ensure support structures, processes and working conditions that more easily allow public servants to innovate, and continuously reassess established routines that may be unnecessarily hindering innovation.

C. Cultivate new partnerships and involve different voices

We will endeavour to:

- i. Connect different actors (public, private, not-for-profit, and individual) in ways that allow public sector organisations to partner, collaborate and co-create new approaches or solutions to problems;
- ii. Create partnerships and link into existing networks of exchange in, out and across the innovation system to increase the capacity to innovate;
- iii. Develop a spectrum of engagement and co-creation practices, and use different forms of it, to ensure that innovation efforts are informed by lived experience and relevant expertise;
- iv. Look for opportunities to partner with other countries on cross-border challenges requiring innovative approaches;
- v. Listen for new and emerging voices to help notice weak signals that things might be changing, which can help identify an emerging need or opportunity for innovation.

D. Support exploration, iteration and testing

We will endeavour to:

- i. Support innovation that is about clear and known priorities and problems, and allow for exploratory innovation where it may not be clear what the end result will be;
- ii. Ensure exploration, iteration and testing across a portfolio, at both the level of the public sector as a whole, and at the level of individual ministries and organisations;
- iii. Recognise the benefits that can come from enabling experimentation in core systems (such as the use of digital technologies, budgeting, risk management and reporting) and explore whether and how they can be achieved;
- iv. Recognise and capture the learning that comes from exploration, and appreciate that often experimenting and innovating may not only be about fixing, but also learning.

E. Diffuse lessons and share practices

We will endeavour to:

- i. Systematically share learning arising from innovation activity (even if the innovation ‘failed to deliver as expected’);
- ii. Foster networking and peer learning to help public servants learn and borrow from each other;
- iii. Develop and sustain feedback loops that capture feedback from citizens and frontline staff to aid continuous learning;
- iv. Establish good evaluation practices in order to learn, to steer the innovation process and to assess the value of the innovation that occurs.

II. INVITE the OECD to support this Declaration and continue its work towards furthering and promoting public sector innovation by providing a platform for dialogue and exchange of knowledge on public sector innovation; continuing to systematically collect and analyse

examples of innovative practices, and supporting countries in their efforts towards promoting innovation including through country studies.