



Spending Reviews

Manual 1_on design & implementation

Project 23PT41 - Supporting the implementation of spending reviews in Portugal, funded by the European Union, with the technical support from OECD.

Version 1 | June 2024.

VERSION

Version 1 | June 2024

The Manual 1 on Design & Implementation of Spending Reviews (the Manual) was approved by the General coordination team on 14th June 2024.

It will be updated regularly to remove or add templates as needed.

Users are therefore encouraged to consult regularly GPEARI and DGO's websites to ensure that their knowledge remains up-to-date.

LIST OF ABBREVIATIONS

DGO	Direção-Geral do Orçamento
GCT	General coordination team
GPEARI	Gabinete de Planeamento, Estratégia, Avaliação e Relações Internacionais
MOF	Ministry of Finance
TT	Thematic team
TOR	Terms of reference
PTMT	Permanent technical monitoring team
SR	Spending reviews

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A. Introduction

A1. Purpose of the Manual

This Manual is intended to provide detailed guidance on the design and execution of spending reviews established by the Ministerial Order No 7690/2023 issued on 25 July 2023 (the Ministerial Order).

A2. Definition of spending reviews

Spending reviews consist in systematically analysing the government's existing expenditure (or baseline) to:

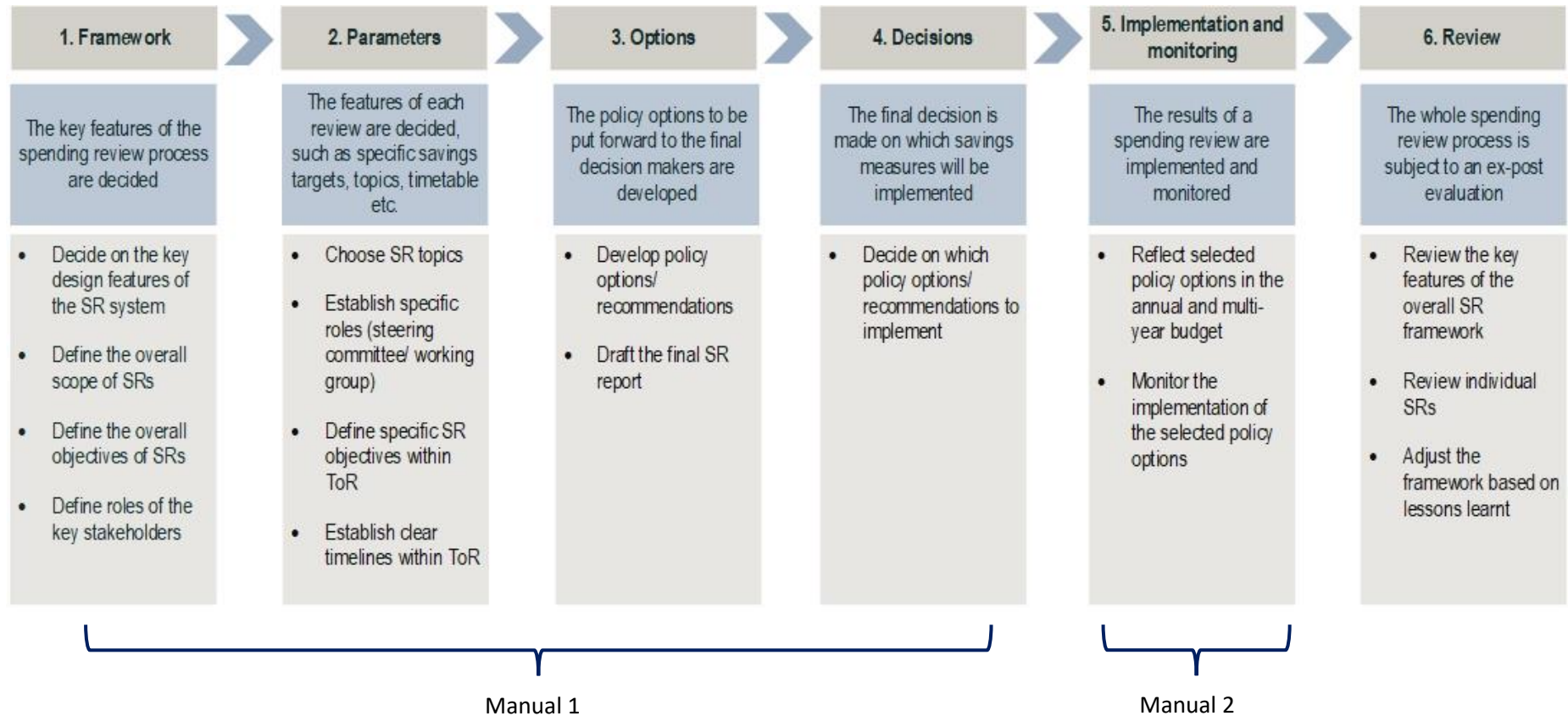
- **Enable the government to manage the aggregate level of expenditure:** Using the spending review process to help the government meet its spending goals such as by identifying policy areas for spending cuts.
- **Align expenditure according to the priorities of the government:** Using the spending review process to reallocate spending within policy areas or from one area to another.
- **Improve effectiveness within programmes and policies:** Using the spending review process to make specific spending programmes more effective such as by identifying options to improve programme effectiveness and impact.

A3. Stages of spending reviews

Spending reviews typically contain six stages:

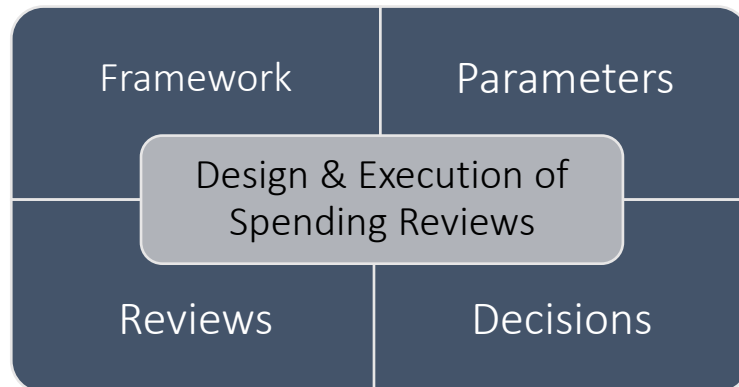
- The **framework stage** where features of the spending review process are decided.
- The **parameters stage** where features of annual spending reviews' rounds are decided, including the topics for reviews, timetable, etc.
- The **reviews stage** (also called **options stage**) where reviews' reports, including options, are developed and put forward for final decision making.
- The **decisions stage** where final decisions are made by the political level based on the options developed in the previous stage.
- The **implementation and monitoring stage** where the decisions are implemented and their outcomes monitored.
- The **review stage** where the whole process, including the framework, is subject to an ex-post evaluation.

Stages of spending reviews



A4. Purpose of the Manual

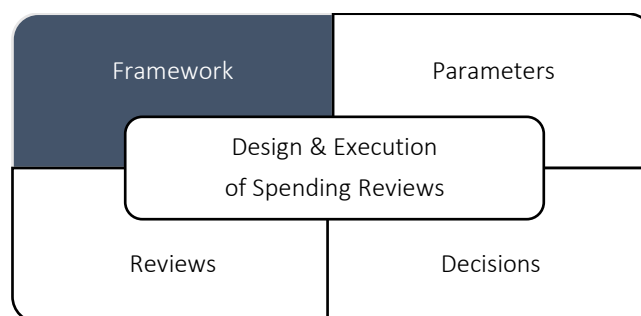
This Manual explains the **Framework, Parameters, Options and Decisions stages** of spending reviews.



For each stage, it comprises:

- An introduction.
- A description of each activities to be implemented, including an overview and description of tasks.
- A list of templates to be used.

B. Framework



B1. Legislation

The framework for spending reviews is established by the Ministerial Order No 7690/2023 issued on 25 July 2023 (the Ministerial Order).

The Ministerial Order serves as a regulatory anchor for the spending reviews framework by specifying the objectives of spending reviews and providing a detailed new governance structure.

The present Manual further details how to operationalise the framework established by the Ministerial Order.

B2. Model for spending reviews

The Ministerial Order establishes a model for spending reviews that is top-down in nature, whereby savings options are developed under the leadership of the Ministry of Finance, with significant collaboration between the Ministry of Finance and line ministries, as further detailed in this Manual.

B3. Governance structure

The Ministerial Order established a governance structure that is three-tiered, involving a General Coordination Team (GCT), a Permanent Technical Monitoring Team (PTMT), and Thematic Teams (TTs) as further detailed in the table below.

The table below summarises the specifications of the Ministerial Order regarding composition of the three bodies and their tasks.

The GCT coordinator, which is the highest body in the governance structure, are holding full delegation of authority from the political level, including the Minister of Finance and State Secretary of the Budget. As part of this delegation of authority, the Minister of Finance, State Secretary of the Budget and line minister should steer key decisions on spending reviews.

Summary of specifications of the composition and tasks of spending reviews bodies

Body	Composition	Tasks
General Coordination Team (GCT)	<ul style="list-style-type: none"> For the Ministry of Finance: <ul style="list-style-type: none"> i) representative of the Minister of Finance; ii) representative of the Secretary of State for the Budget; iii) Director-General of GPEARl; iv) Director-General of DGO; and v) Coordinator of the permanent technical monitoring team. In addition, representatives of the respective sectoral ministry may take part in meetings of the GCT, depending on the topics in question. 	<ul style="list-style-type: none"> Issue strategic guidance; Decide and advise on the scope and objectives of spending reviews; Approve TORs; Designate the chair of each TT, in agreement with the relevant sectoral ministry; Request input(s) from other entities if needed; Approve the reports prepared by the PTMT and TTs and decide on policy options.
Permanent Technical Monitoring Team (PTMT)	<ul style="list-style-type: none"> Staff appointed by the Director-General of the GPEARl and the Director-General of the DGO. 	<ul style="list-style-type: none"> Develop the methodology for spending reviews; Maintain a database of spending reviews topics; Identify and analyse thematic areas for reviews; Prepare the TORs; Provide technical support [and secretariat] to TTs; Monitor the implementation of approved policy options.
Technical Teams (TTs)	<ul style="list-style-type: none"> Representatives of the MOF; Representatives of the entities in the respective thematic areas; Representatives of the PTMT; External experts. 	<ul style="list-style-type: none"> Conduct the review; Prepare a report including an assessment and policy options; Submit the report to the GCT.

Source: Ministerial Order.

B4. Timeline

Spending reviews are prepared ahead of the formulation of the annual Major Options Bill and Medium-term fiscal structural plan both published in April, in normal circumstances.

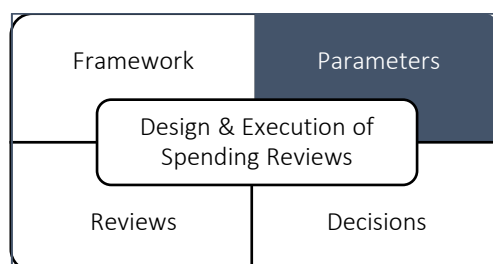
Accordingly, **the parameters, options and decisions stages** should be completed by March.

The table below details the timeline and deadline for completing the various activities implemented at each stage.

Timeline and deadlines for completing spending review activities

Stage	Timeline	Activities
Parameters	May	Objectives and topics' inventory
	June to July	Topics selection and TORs
Reviews	August to September	Preparation and planning
	October to mid-November	Assessment and interim report
	Mid-November to February	Development of policy options and final report
Decisions	March	Political decision
	March	Establishment of list of non-selected policy options

C. Parameters



C1. Introduction

What is this stage?

The **parameters stage** is where the objectives for an annual spending reviews round are selected and the reviews' topics inventoried and selected accordingly. It concludes with the formulation of the terms of reference (TORs) for each review.

Who are the main stakeholders involved?

PTMT

The PTMT conducts the inventory of topics and maintains a database of spending reviews topics.

The PTMT also suggests annual topics for review to the GCT.

Once annual topics are selected by the political level, the PTMT prepares the TORs.

GCT

The GCT advises the political level and guide the PTMT's work.

The GCT decides on the scope and objectives of annual rounds of reviews.

The CGT decides on topics for review and approves the corresponding TORs, including the designation of the Chair of each TT , subject to the approval of the ministers of its members.

Members of the GCT are responsible for obtaining the approval of their ministers even if the approval is not obtained in writing.

Political level

The Minister of Finance, State Secretary of the Budget and line minister should steer all decisions on topic selection and TORs through their representatives in the GCT. The Council of Ministers receives information as deemed relevant by them.

What are the main activities to be implemented?

- Objectives setting and topics' inventory.
- Topics selection and TORs.

C2. Objectives setting and topics' inventory

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">Determining objectives for annual spending reviews roundInventorying topics in accordance with these objectives	<ul style="list-style-type: none">GCTPTMTOther stakeholders as discussed below	May

Tasks

1. The GCT decides on the parameters of annual rounds of reviews

Parameters for an annual spending review round may be, for instance, creation of fiscal space to finance new policies; fiscal consolidation that decreases the overall rate of growth of public expenses; or efficiency and/or effectiveness gains in selected policy areas.

Parameters set annually for a spending review round usually vary over time – for instance, it can be based on external circumstances, political opportunities and constraints.

In deciding on the parameters of an annual round of reviews, the GCT analyses all relevant information such as fiscal, strategic and programmatic needs; informs the political level and reflects the political level's instructions.

This decision should be stipulated in writing via the minutes of a dedicated GCT's meeting.

2. The PTMT consults relevant stakeholders on topics for reviews

The PTMT sends a letter to relevant stakeholders asking for suggestions of topics for review (as well as types of topics if relevant) and a deadline for answering.

Stakeholders to be consulted annually include:

- Commission of Budget, Finance and Modernisation of Administration of Parliament (Comissão de Orçamento, Finanças e Modernização Administrativa).
- Parliament's Technical Budget Support Unit (UTAO).
- Portuguese Public Finance Council (CFP).
- The Directorate General of the Budget (DGO).
- Selected line ministries and agencies.

Other stakeholders may be consulted based on the objectives for an annual reviews round.

To guide stakeholders in proposing topics for review, the PTMT stipulates the criteria and types of topics to be considered in line with the parameters defined by the GCT.

The criteria can be permanent or specific to an annual spending review round. They may include:

- Significant proportion of the total expenditure.
- High annual growth of expenditures.
- Large time interval since the last review of roughly the same policy area.
- Substantial underspending or overspending on initial budget in recent years.
- High volatility or unusual pattern of expenditures.
- Overlap or inconsistency with new policies.
- Doubts about effectiveness or efficiency of current policy among experts.
- Doubts about the priority of the policy in the light of new social or economic developments among experts.

The type of topics include:

- Sector-specific topics, for instance higher education, maintenance of a certain type of infrastructure.
- Transversal topics, for instance procurement of IT services.
- Entity-specific topics, for instance the expenses of a given agency.

3. Stakeholders provide answers to the GCT within the timeline stipulated in the letter

In doing so, they provide for each topic suggestion a short explanation why the suggestion meets the selection criteria and a contact person.

4. The PTMT establishes a catalogue of topics based on the answers received (see template)

In doing so, the PTMT includes its assessment of the feasibility of the review.

This assessment considers issues such as:

- Political sensitivity.
- Analytical capability in the area within the Ministry of Finance and the relevant line ministry(ies) that allows for the definition of precise policy options, with clear implementation strategies.
- Access to relevant data or existing evaluations within the field under review.
- Feasibility within the annual timeframe for the options stage.

C3. Topics selection and TORs

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">Deciding topics to be reviewed in the annual roundPreparing TORsInforming the political level	<ul style="list-style-type: none">GCTPTMTLine Ministry(ies)Council of Ministers (when appropriate)	June to July

Tasks

1. The GCT selects topics for reviews

The GCT chooses topics for review based on the PTMT's catalogue of topics.

The GCT's selection is informed by the PTMT's assessment of the topic's compliance with the previously-selected criteria and of the feasibility of the review.

The GCT's decision should be stipulated in writing via the minutes of a dedicated GCT's meeting.

2. The PTMT drafts the TORs (see template)

The TORs are drafted by the PTMT at the request of the GCT.

At this point decisions must be taken on:

- **Objectives of the review.** In determining the objectives for the review, the PTMT shall define precise questions to be answered and indicate a minimum number of policy options to be developed.

Concerning **questions**, the following should be considered:

- Does the program or activity continue to serve a public interest?
- Is there a legitimate and necessary role for government in this program area or activity?
- What activities or programs should or could be transferred in whole or in part to the private or voluntary sector?
- If the program or activity continues, how could its efficiency be improved?

Concerning **policy options**, variety in options allows for a range of different budgetary and programmatic effects for decision-makers to choose from. Therefore, the following should be considered:

- At least two mandatory policy options, including at least one savings option.
- Non-veto principle (where members of the TT are not allowed to veto ideas and suggestions from other members of the TT) for the other policy options proposed by the TT.

- **Scope of the review**, which includes:
 - Past and future expenditure relevant to the topic selected for the review (the baseline). In calculating the baseline, the PTMT aims to construct a realistic estimation of future costs which in turns supports a realistic estimation of savings. This requires an understanding of current costs and of future cost drivers. It may also require making other assumptions– e.g., assumptions on probable government actions in the case of overspending such as subsidy stops when the budget is exhausted.
 - Relevant performance information that informs current levels of service or quality of this service – e.g., performance information, statistics on regional benchmarks, procurements of services, organisational structures, management IT systems data.
- **Organisation of the review**, including composition of the TT, designation of the Chair, composition of the Secretariat and eventual selection of external experts. The Ministerial Order defines the composition of TTs, but TORs specify the number and names of appointed members. Appointment of individual members are a responsibility of the Ministry of Finance and relevant line ministry(ies). External experts that are designated as members of TTs are also specified in the TORs (NB. External experts can be alternatively interviewed as part of the TT’s work plan).
- **Timeline for the review**. Since the reviews last approximately 5 months (October to February), it is important that the TORs plan activities carefully to fit within this time. Since the review must consist of an assessment of current policy and a description of policy options for the future, clear deadlines need to be set for:
 - Completion of the “assessment” work (two months maximum).
 - Presentation of its interim conclusions to the GCT, where the TT outlines the findings of the assessments and tentatively outlines policy options.
 - Formulation of detailed policy options (two months minimum).
 - Production of the draft final report (two weeks before it is to be made final, since there must be time to follow up on the comments of the GCT and finalise the report).

3. The GCT approves the TORs

In doing so, the GCT may consult experts in their ministry.

4. The GCT seeks approval of relevant line ministry(ies)

The GCT seeks the agreement of the relevant line ministry(ies) on topic(s) for review and TORs with the support of the PTMT.

This may require negotiations at political level, between Ministers or their cabinets.

The negotiation with the line ministry may lead to adjustment of the TORs – e.g., on scope or objectives of the review.

5. Line ministries designate representatives to attend GCT meetings that are relevant to them

Once TORs are agreed, the GCT invites line ministries to designate representatives to attend its meetings when these address reviews they are involved in.

C4. Templates

Example of catalogue of topics

SELECTION CRITERIA											
#	Ministry	Topic	Main challenges within the field	Capacity of the relevant line ministry	Political sensitivity	Timeframe	The size of the topic	Access to relevant data or existing evaluations within the field under review	Analytical capability in the area within the MoF	Are potential savings measures realistic?	Contact person in responsible ministry
				<i>Analytical and human resources</i>	<i>Is there sufficient political willingness to analyse the field?</i>	<i>Does it fit within the budgetary timeframe?</i>	<i>Does the area cover sufficient share of the budget?</i>			<i>Can these measures be implemented in the medium-term?</i>	
1				Yes/No							
2											
3											

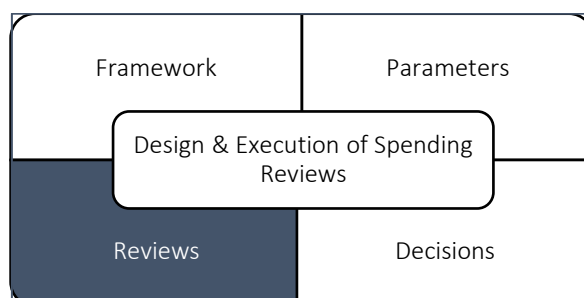
Terms of Reference (TORs)

Objective					
<ul style="list-style-type: none"> • Policy area to be reviewed. • Ministries, programs, and entities are covered by this review. • Objective of the spending review - e.g., improve effectiveness of policy; identify savings; or a combination of both. • Questions – e.g., If the program or activity legitimate, effective? • Number and specifications of policy options to be formulated. 					
Scope					
<ul style="list-style-type: none"> • Expenditure to be reviewed: 					
M€	Current budget	Estimate			
	2023	2024	2025	2026	2027
Entity A					
[Budget line X for review]					
[Budget line Y for review]					
Entity B					
[Budget line X for review]					
[Budget line Z for review]					
Total Expenditure (baseline)					
<ul style="list-style-type: none"> • Methodology for costing of expenditure estimates. • Current level of performance based on relevant data. • Data and source of performance data, limitation of data if any. 					
Tasks					
<ul style="list-style-type: none"> • Assessment phase: tasks to be undertaken • Policy options formulation phase: <ul style="list-style-type: none"> ○ Tasks to be undertaken. ○ Research questions that the Working Group has to address. ○ Number and nature of policy options to be proposed (e.g., budgetary neutral, 					

saving targets of X % and Y %). ¹
Organisation
<ul style="list-style-type: none"> • Composition of TT – e.g.: the review will be conducted by a working group consisting of X representatives from the Ministry of Finance, X representatives from the Ministry of A, X representatives of the Ministry of B, etc. , as well as X external and independent experts. The working group will be chaired by Y. • Secretariat of the TT– The Secretariat of the TT is provided by the following members of the TT: PTMT and X representatives from Ministry X.
Timeline
<ul style="list-style-type: none"> • Timeframe of the Spending Review Process is from [month/year] to [month/year]. • Milestones are as follows: <ul style="list-style-type: none"> ○ By xx, finalise the assessment phase. ○ By xx, submit an interim report to the GCT. ○ By xx, finalise the policy options formulation phase. ○ By xx, submit the report to the GCT. ○ By xx, address GCT's comments, finalise report and send to GCT.

¹ Options in relation to tax policy changes should be excluded, but options in relation to tax expenditures should be authorised.

D. Reviews



D1. Introduction

What is this stage

The options stage is where the review work is conducted in accordance to the TORs developed in the previous phase.

Who are the main stakeholders involved

TTs

TTs implement the review, comprising a phase for developing an assessment (reviewing information and making assessment of the topic under review) and a phase for developing options (developing proposals which aim to attain the objectives set in the TOR).

Chairs of TTs

Chairs of TTs steer the work of the TTs in ensuring the group delivers on the timeline and objectives set out in the TORs.

The chair of the TT sees to it that the views of its members on the assessment of current policy are described in a fair and impartial way.

Similarly, the chair sees to it that the effects of the policy options, both positive and negative, are described in a fair and impartial way.

Secretariats of TTs

Secretariats of TTs assist the work of the TTs.

They prepare and plan the reviews and provide technical support to the TT. They also draft the interim and final review report.

The secretariat of each TT consist of a member of the PTMT and , ideally, a representative of the most relevant line ministry.

GCT

The GCT ensures that TTs' work is conducted in accordance to the TORs.

What are the main activities to be implemented

- Preparation and planning.
- Assessment of current policy and preparation of interim report.
- Development of policy options and preparation of final spending review report.

D2.Preparation and planning

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">• Identifying and obtaining relevant data and information is available ahead of the first meeting of the TT• Having a clear plan to execute the review as stipulated in TORs	Secretariat of TT, including PTMT Chair of the TT	August to September

Tasks

1. The Secretariat of the TT prepares the review

In preparing a review, the Secretariat of the TT identifies relevant representatives from the Ministry of Finance, relevant line ministry(ies) and other stakeholders (e.g., PlanAPP) that should be requested to identify and communicate to the TT information required for the review.

Relevant sources of information include:

- Legal and regulatory framework.
- Financial and performance data.
- Policy evaluations.
- Internal or external audit reports – e.g., from the Portuguese Court of Auditors (Tribunal de Contas) or the Inspectorate General of Finance (Inspeção-Geral de Finanças, IGF).
- Statistics (national and international).
- Academic research and studies.
- Administrative data – e.g., management or HR information.

The Secretariat of the TT develops, if relevant, a list of consultations/interviews that could be conducted during the assessment phase.

2. The Secretariat of the TT plans the review

In planning a review, the Secretariat of the TT proposes to the TT's Chair milestones for the main phases of the TT's review.

Relevant milestones include:

- A kick-off meeting.
- At least one meeting dedicated to the formulating the findings of the assessment phase.
- At least one meetings dedicated to the development of options.

3. The TT Chair shares information with TT members

The Chair share these milestones of the TT's work with TT members during their first meeting.

D3.Assessment and interim report

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">• Conducting assessment of the topic under review	<ul style="list-style-type: none">• TT• Secretariat of TT (including PTMT)• Chair of the TT	<ul style="list-style-type: none">• October to mid-November

Tasks

1. TTs conduct the assessment of the topic under review

Limited time is available when conducting the assessment. Therefore, existing policy evaluations should be used as input for the assessment.

This means that TT should use information identified and collected during the preparation and planning phase and focus on answering the questions mentioned in the TORs.

2. External experts are consulted/interviewed if needed

The Chair of the TT asks the Secretariat of TT to organise the consultations/interviews identified during the preparation and planning phase.

3. The Secretariat of TT prepares a short interim report (see template)

The Secretariat of the TT formalises the TT answers to the TORs' questions based on discussions in TT meetings and bilateral communications with TT members in a short interim report.

4. The Chair of the TT communicates the short interim report to the GCT

The TT provides a short interim report to the GCT in accordance with the planning schedule. The interim report should contain its findings and the outline of the policy options that the TT intends to develop.

D4. Development of policy options and final report

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">Developing policy options for the topic under review	<ul style="list-style-type: none">TTSecretariat of TT (including PTMT)Chair of the TTGCT	<ul style="list-style-type: none">Mid-November to mid-February

Tasks

1. TTs develop policy options for the topic under review

The TTs should propose several policy options in accordance with the TORs.

The policy options have to address the problems that were identified in the assessment. Often this is possible in several ways, i.e., policy instruments can be:

- adjusted.
- replaced by others.
- or removed.

There must be coherence in the report, in the sense that it must be clear what problem each option is supposed to address.

When savings options are required by the TORs, they can consist of efficiency measures and/or changes to service levels or to service delivery (e.g., transfer to private sector). It should always be clear to what category a savings option belongs.

Large savings can generally not be realised by efficiency measures alone and require lowering of service levels. This can be an appropriate measure in case of policies that have become less relevant in view of social or economic developments or changing political priorities. If such options are included in the report, it is important that the negative effects on the policy's objectives, as well as the side effects, positive and negative are clearly pointed out. In that case the TT should be required to think about measures that cause minimal harm to the political objectives and that cause minimal negative side effects. The report should carefully describe these effects.

In many cases, policy options cannot be implemented at short notice and efficiency gains or savings may have a lead time. Indeed, if a decision to implement an option is taken, it may be necessary to adopt new legislation, to negotiate with unions or local governments or to reorganise executive organisations, before the effects of the policy change, budgetary and otherwise, become apparent. For that purpose it is of crucial importance that the baseline, and thus the changes in the baseline expenditure as a consequence of the policy options, are long enough to demonstrate the budgetary consequences, including the eventual savings.

It is also critical that multi-year estimates of savings be calculated in a way that is consistent with the methodology used for the formulation of the baseline.

2. The Secretariat of TT prepares the draft final report

The Secretariat of the TT formalises the policy options based on discussions in TT meetings and bilateral communications with TT members.

The draft final report should be user-friendly as well as concise and focused.

The draft final report should describe:

- The policy options and their effects on expenditures, the policy objectives and side effects. The budgetary effects should be specified in terms of budget articles, and cover all years of the baseline.
- What has to be done to implement every policy option, in terms of reaching agreement with stakeholders, adjustment of legislation and reorganisations.
- How monitoring of implementation will be conducted for policy options selected by the GCT.

3. The Chair of the TT sends the draft final report to the GCT

The Chair of the TT submits the final report of the TT to the GCT.

4. The GCT reviews and approves the draft final report

This GCT reviews the draft final report and verifies in particular consistency between policy options and the TORs. The GCT communicates any comment to the Chair of the TT. Once these comments, if any, are addressed, the GCT approves the final report via the minutes of a dedicated meeting.

D5.Templates

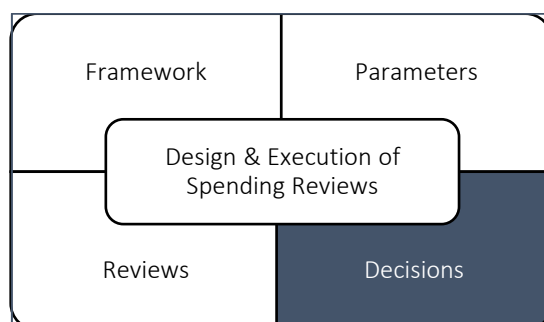
Interim report

Areas of Focus
<ul style="list-style-type: none">• What policy area is the focus of this review.• What ministries, programs, and entities are covered by this review.• How much expenditure is covered by this review based on the current budget and what is the current level of performance.
Key Findings
<ul style="list-style-type: none">• What policy issues did the spending review consider.• What methodology did the working group use to answer these questions.• What are main findings of the working group concerning the assessment of the policy area.

Final report

Areas of Focus (from interim report)				
<ul style="list-style-type: none"> What policy area is the focus of this review. What ministries, programs, and entities are covered by this review. How much expenditure is covered by this review based on the current budget and what is the current level of performance. 				
Key Findings (from interim report)				
<ul style="list-style-type: none"> What policy issues did the spending review consider. What methodology did the working group use to answer these questions. What are main findings of the working group concerning the assessment of the policy area. 				
Policy Options				
<ul style="list-style-type: none"> What are the policy options formulated by the working group. For each policy option: <ul style="list-style-type: none"> What is the policy option (e.g., description of the option, policy instruments used, changes to existing services) What are the improvements in delivering policy objectives of the option (performance improvements) and what other consequences (side effects) would the policy option entail. What are the budgetary consequences of the option over the medium term. Quantify budgetary impacts in the following table if any. What legal and organisational, changes are required to implement the policy option. Quantify any costs in the following table if any. 				
M€	2024	2025	2026	2027
Initial estimate line X				
Impact of policy option				
Initial estimate line Y				
Impact of policy option				
Initial estimate line Z				
Impact of policy option				
Total initial estimate				
Total impact of policy option				
Other costs of the policy options				
Total new estimate				
Ex-post Monitoring				
<ul style="list-style-type: none"> How is progress in implementing these reforms to be measured by entity and ministry? Specification of different measures to be implemented and possible indicators used to measure progress of each policy option. 				

E. Decisions



E1. Introduction

What is this stage

The decisions stage is when the decision on policy options to implement are made, immediately after the review's completion or eventually later.

Who are the main stakeholders involved

PTMT

The PTMT stands ready to address any questions on the review phase implementation as part of the decisions phase.

The PTMT maintains a database of non-selected policy options for future use and monitors the implementation of selected policy options.

GCT

The GCT decides on policy options to be implemented with full delegation of the political level.

This should involve informing the political level of policy options for decision and supporting any consultations and negotiations at political level for reaching an agreement on the implementation of one or more policy options.

Political level

The Minister of Finance, State Secretary of the Budget and line minister should steer decisions on policy options through their representatives in the GCT. The Council of Ministers receives information as deemed relevant by them.

What are the main activities to be implemented

- Adoption of policy options.
- Establishment of a list of non-selected policy options.

E2. Adoption of policy options

Overview

☑ What	👤 Who	🕒 When
<ul style="list-style-type: none">• Communication of policy options to political level• Formalisation of decision	<ul style="list-style-type: none">• GCT• Political level• Council of Minister (when appropriate)	<ul style="list-style-type: none">• March

Tasks

1. GCT selects policy options

The GCT has the responsibility to selecting policy option(s) after a review is concluded. However, at times, views within the GCT may differ on which policy option(s) to select and consultations and negotiations may have to take place. Such negotiations may involve finding agreement on timeframe and/or actions to be implemented. As such, how to settle such differences of views may differ on a case-by-case basis (e.g., some policy options, when appropriate, may need to be presented to the Council of Ministers).

2. GCT formalises its decision

A dedicated meeting of the GCT takes place with minutes specifying the selected option(s) for each review conducted as part of the spending review round. The minutes are communicated to the PTMT and all stakeholders.

E3. Establishment of list of non-selected policy options

Overview

☑ What	⚙ How	👤 Who	🕒 When
<ul style="list-style-type: none">• Maintaining a database of non-selected policy options	<ul style="list-style-type: none">• List of non-selected policy options	<ul style="list-style-type: none">• PTMT	<ul style="list-style-type: none">• March

Tasks

In the case there are divergent views on specific policy options or no agreement can be found on any options for implementation, a final decision can be postponed, to be re-examined when there is likely to be more consensus on a specific policy direction for the government.

These unselected policy options are listed in a database by the PTMT. In the case such policy options are revisited, either due to changes in government or greater consensus on the need for change, the database serves as an input in providing well thought-through measures for consideration by the government.

E4. Templates

List of non-selected policy option

Topic	Ministry	Date of the review	Estimated savings	Key implementation aspects