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What is the Manchester *e*Government Ministerial Declaration on the European Union : Frequently Asked Questions

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1. What is the division of responsibilities between the European Commission and the 25 Member States concerning eGovernment?

Under the EU Treaties, the organisation of e-government as such, falls within the sphere of national competence. This means that eGovernment measures are also primarily the responsibility of national governments. This said, the European Commission is itself a public administration and as such, has its own responsibility to implement and to reap the benefits of on-line eGovernment services. Further steps towards putting into practice the "eCommission" have been achieved with the adoption on 23 November of the "e-Commission 2006-2010" framework, which renews the commitment of the Commission to lead by example by applying to its own administration the European information society policy in the e-government field.

In general, eGovernment measures taken at national level can have effects on common EU policies. For example, rules on public procurement and on the use of electronic communications for this purpose can have an important effect on cross-border trade and the single market.

Making government services more efficient and friendlier to business and citizens is part of Europe's overall drive to strengthen competitiveness, and the "Lisbon" strategy for fostering growth and jobs. All EU Member States share this aim, and the European Commission plays a key role in encouraging, promoting, coordinating, monitoring, facilitating, supporting, and benchmarking all efforts to boost growth and jobs in the 25 EU Member States.

2. What is the evidence for the relationship between quality of public administrations and economic performance?

We have related the Commission's innovation scoreboard with the 'quality of public administrations' index of the World Economic Forum. This was based on 2003 data. Correlation is about 60%, which can be considered a high correlation. The innovation index on its turn is strongly correlated to competitiveness.

3. What is the state of play of eGovernment?

All 25 EU countries have strategies for modernising their public administrations through deployment of eGovernment services. The focus has been on getting such public services online. The Commission's last measurement of online availability of a set of 20 basic services was done in October 2004. At that time, online availability was already over 90%. (Results of a new survey will be available in a few months time). Services go through phases of sophistication, from an "information-only" Website to full transaction and case-handling capability. Deployment of full capability services had reached about 45%.

The actual use of these services is increasingly being measured. A recent Eurostat survey showed

that over 50% of businesses and nearly 50% of citizens with Internet were using government websites in early 2004.

A benefits survey called "Top of the Web" (performed by the Commission at the end 2004), showed that online services brings real time and money savings. Online filing of tax forms was saving citizens already many millions of hours. Online VAT declaration by companies saved €10 per declaration, which amounts to many millions of Euros if widely applied. However, there is still a long way to go for full take-up.

Over the past years many EU projects have delivered concrete results, in research (IST) and in deployment (eTEN). For example, the service developed by the "Eurovet" veterinary control project is now in use in Bulgaria with 80,000 small farmers. E-Voting has been widely used for the Constitution vote in France and will soon be applied to 7 million Europeans. Speech-in-context analysis is increasing productivity by 30% and is now used by Italian fire-brigades.

At the eGovernment conference in Manchester, individual success stories within the exhibition (of Award Finalists) show many examples of benefits in terms of time, money, convenience and quality, e.g.

- Denmark electronic invoicing saves €150 million annually for the administrations and €50 million for the companies;
- In Romania electronic procurement has reduced the cost of procurement by almost 25%
- In the Netherlands 1/3 of all students are using an online student-grant service which is each month visited by 70,000 people.
- Disabled people now get immediate benefits in Belgium, where previously this took 3-4 weeks and a lot of paper handling.

4. What is the Ministerial Declaration on eGovernment?

The Ministerial Declaration has been prepared by a group of national representatives of eGovernment initiatives. These people are mostly from Ministries of Internal Affairs, Finance, Economic Affairs, Information Society, or from a Prime Ministers' office / agency. Meetings of the group have also involved several services of the European Commission.

5. Are the e-procurement objectives in the Ministerial Declaration realistic?

e-Procurement is defined in Directive 2004/18/EC: it consists in publishing and managing procurement electronically. It allows an EU company to see and bid on any procurement across the EU. The Directive applies above a threshold value (referred to in the Ministerial Declaration), i.e. where the procedure is stricter. The threshold is from about €50,000 for simple public services to about €6,000,000 for public works.

E-procurement has several steps: Notification → Publication → Submission → Evaluation/awarding → Ordering → Invoicing.

To be fully applied, e-procurement needs some basic tools, like e-ID, interoperable electronic registration of company, interoperable electronic signature, and it should also address translation issues. For simple e-procurement, below the threshold, simpler solutions suffice, e.g. an email exchange, as signature/authentication is less strict.

In the EU15 in 2002, more than 100,000 tenders were published on TED (tenders electronic daily). This is about 16% of all tenders.

Administrative cost saving of e-procurement are expected to be about 30%, while purchasing cost savings can be as high as 10% to 50%. Usually a more conservative figure of 5% savings is used (Commission Staff Working document).

Once above the threshold, public procurement procedure is more detailed and complex. Thus administrative costs are higher, and the benefits to be gained from e-procurement are also higher.

Currently the first two procurement steps are being carried out electronically at more than 50% (even 90% for the first step). It is the next step, "Submission" which is probably the major step forward. Electronic tender submission accounts for only around 9% of all tender submissions at the moment. It can be expected that even without further political push, this will rise to 20-25% within the next 5 years. Therefore a call for 50% take-up as in the Declaration gives the right – ambitious yet realistic - political signal.

Technically, the main hurdles can be solved if Member States can agree on common/similar procedures and standards (e.g. e-ID and e-Registration of companies).

A fully functional e-procurement system will not only cut administrative cost and purchase cost, but also enable SMEs to participate more easily to procurement across the EU. It will also make selection and awarding more transparent, reducing corruption and making public authorities more accountable.

6. What is the Commission undertaking towards the development of electronic identity cards?

There is a difference between national ID cards and the identification and authentication needed when using public services. National ID cards are a means to provide a proof of identity for purposes of public security. The most advanced national ID cards (already being introduced in Belgium, Germany, Austria) are biometric smart cards.

Identification and authentication is also necessary when using public services, particularly when these are online services. The technical approach can take several forms, including simple username plus password, or challenge-response as nowadays used by many banks. Identification and authentification can also be based on use of smart cards.

In the latter case, on-line services can use the same smart card as the national ID (as in Belgium) or it can be another card, e.g. a health card (in France) or a mobile phone SIM card (in Austria).

Therefore national ID cards are not necessarily the same as e-ID for public services, even if the two distinct needs are often confused in public debates on the subject.

Today there are many different systems already in place, for providing online identification and authentification. In Belgium the ID smart card is also used by the private sector and to safeguard internet chat rooms of children (reducing the risk that an adult may pose as a child). Austria uses both a separate citizen card and mobile phone SIM. The Netherlands uses three levels of identification, starting from username plus password.

It is for each Member State to determine its own policy on ID cards, and how electronic ID and authentication is to be implemented. The European Commission does not have a mandate to

prescribe a specific choice. But we can insist that no barriers to the internal market are created: for example in administering healthcare to citizens visiting other Member States.

Specifically the common challenge for Member States is to work together to make their approaches interoperable. EU research projects are building a uniting architecture for Identity and Authentication systems. Pilot projects, for example in worker mobility, can validate/test these. The European Commission's i2010 initiative foresees a great deal of progress being made within the next 5 years. Europe's future Competitiveness and Innovation Programme should play an important role in facilitating a co-ordinated response of the Member States, and their continued exchanges of best practice.

The European Commission is actively promoting the benefits to be derived from deployment of eGovernment services. It seeks to stimulate and consolidate the interest of all stakeholders, public and private, and so facilitate their voluntary co-operation and active support of shared goals.

We propose a joint development of 'common roadmaps towards 2010'. These are overviews of the key elements and a timeline to realise a specific objective such as electronic identification. Key elements include technology (e.g. interoperability projects across the EU in IST, eTEN programmes, inter-governmental, private sector), awareness and acceptance (national), legal certainty (EU and national level).

7. Will the Commission lead by example in driving forward the e- Commission?

The Commission already applies eGovernment extensively in its own administration and has just renewed its e-Commission initiative (adopted 23 November 2005).

We have the world's largest website in terms of content and almost 700 internal IT systems in use within the Commission Services, so this is no small challenge.

Currently, the Commission has reached the second level of e-government deployment. (The first level is simply a website, the second is online government services, the third is integrated government services, and the fourth is fully transformed and paperless government services, all built from the users' rather than from the organisation's viewpoint). The Commission intends to be providing integrated on-line services (level 3) by 2010, by therefore meeting the e-government objectives defined in its own i2010 policy initiative.

The new Communication on eCommission explains the actions necessary. Whilst the Commission Services have mostly integrated their corporate functions, the main challenge is to achieve full interoperability across domains. The Commission also intends to make its policies, procedures and employees more easily accessible. eGovernment can assist, especially through implementing new tools of eParticipation.

8. Will the Commission now use the Ministerial Declaration for its Communication on the eGovernment Action Plan next year?

The Commission has the right of initiative. We find the Declaration to be quite well developed, but currently consider that there are some additional points that also need to be addressed in the Action Plan:

- local and regional involvement
- improving democratic decision-making and reconnecting citizens to Europe'

- citizen-oriented services of high impact, e.g. pan-European services.

A further possibility to be addressed is the stimulation of broadband through eGovernment, and sustainability of interoperability.

9. When will the Commission come up with new benchmarking data on the online availability of public services?

The Commission will carry out the last measurement at the end of 2005 and is consulting with Member States on new approaches for an eGovernment measurement study, focused on demand-side indicators like impact and take-up (giving measurable benefits to citizens and business).

10. What will the Commission do to make the measurement of eGovernment achievements concrete and consistent?

The Commission's measurement framework study will end in March 2006. We will then have a set of coherent impact indicators, a measurement of the financing of eGovernment, and the start of an economic model that connects the indicators and the financing to macro-economic results such as competitiveness.

There will be a few further discussions in 2006 to consolidate the most important indicators. For each of these we will establish if they consist of different national indicators that are aggregated at European level, or of a single European-wide indicator.

For each we will also determine if they are measured through national level gathering of statistics or through a Commission-run survey (similar to the earlier online availability surveys run by Capgemini). The Modinis 2006 funding foresees support for these discussions.

Real survey work will begin in 2007. For EU-level work, this is to be supported by the Competitiveness and Innovation Programme.

11. What are the highlights of the recent Eurostat report on take-up of eGovernment?

Some 50% of citizens and companies using the Internet have accessed government websites during early 2004. There has been a doubling in 2003 → 2004 and also in 2002 → 2003 of the number of citizens accessing government websites. Most of them are relatively well-educated and young.

Companies are using the government websites more when these are richer in functionality (i.e. capable of case-handling and transactions rather than only information provision).

More specific highlights of the research include:

Citizens:

- 45% of individuals who used the Internet during the first quarter of 2004 obtained information from public authorities' websites.
- The highest levels of access to public authorities' websites to obtain information were recorded in Finland (62%), Denmark (56%), Luxembourg (55%).
- For downloading forms, the highest levels were observed in Luxembourg (44%) and Spain (29%). EU average is 20%.

- For submitting completed forms, the highest levels were in Luxembourg (32%), Estonia, Portugal (26%). EU average is 12%.

Businesses:

- In January 2004, 51% of enterprises with Internet access obtained information from public authorities' websites.

The highest levels of access to public authorities' websites to obtain information were in Sweden (94%), Finland (90%), Estonia (87%), Lithuania (78%), the Czech Republic (75%), Luxembourg (71%) and Greece (70%).