# eGovernment Beyond 2005

## "CoBrA Recommendations" to the eEurope Advisory Group

## eGovernment Beyond 2005 - Modern and Innovative Public Administrations in the 2010 horizon

3rd eEurope eGovernment subgroup meeting

Amsterdam 27-28 September 2004

CoBrA museum of Modern Art

This document summarises the recommendations put forward by the eGovernment subgroup of leaders or representatives of the national eGovernment initiatives to the eEurope Advisory Group following the meeting hosted by the Dutch Presidency last 27-28 September 2004 in Amsterdam at the CoBrA museum and two previous meetings in Brussels and Dublin.

The recommendations are referred to as the **"CoBrA recommendations"** for eGovernment beyond 2005 as the CoBrA museum of modern art has provided the ideal "inspirational" frame.

The headlines of these recommendations follow:

## General

1. Citizens and businesses are to be fully in the centre

2. Modern and innovative public administrations are essential to realise the Lisbon goals

3. eGovernment is the way forward and a catalyst for innovation, and should now deliver on its promise

4. The focus is to move from readiness to impact and transformation.

5. eGovernment is at least as much about people, organisation, institutions as it is about technology.

6. Now is the time to start defining targets for eGovernment 2006 to 2010.

7. To stay globally competitive and keep Europe attractive as a place to live, work and invest

8. Europe is well placed to achieve world-class public administrations

## Policy cooperation and coordination

1. Achieve flexible interoperation, respecting diversity

2. Commitment to concrete agenda for pan-European services, interoperability, identification & authentication

3. eGovernment for better evidence-based policymaking

4. eGovernment to enter into sectoral policies and pursuing consistent ICT-implementation related to EU Directives

5. Reduce burden for citizens/companies by cooperation and by once-only data provision (respecting privacy, citizen rights, and democratic control)

6. Concrete and common measurement framework

## Implementation cooperation and coordination

1. Pro-active wide diffusion of good practices, supporting effective transfer, mechanisms to capture knowledge and involve a wide community of actors

2. Shared European resource of building blocks

3. Joint action for pan-European services

4. Strengthen local and regional implementation

5. Coherent strategy for EU support, aligning programmes

## Transformation

1. Assess role of governments to deliver public value

2. Requires top-level political and administrative leadership, across all of the administration and functions

3. Use EU instruments to enable and sustain transformation

4. Innovation framework

5. Skills training of civil servants

## Financing

1. Common metrics on benefits

2. Good practices of public value

3. Good practices of sustainable change and transformation - 'business case'

4. Clarify and ease access to EU and other financing

5. Modernisation and innovation of public administrations strategic in Financial Perspectives

# General

## 1. CITIZENS AND BUSINESSES ARE TO BE FULLY IN THE CENTRE

eGovernment beyond 2005 means that the key objective of every single eGovernment service shall be <u>satisfying user needs</u>:

- for living, working, doing business in Europe;
- as users of administrative services, as taxpayers, as participants in democracy.

User centric services are designed from the perspective of the user[3]. This implies <u>taking into account the requirements, priorities and preferences of each type of user</u>.

## 2. MODERN AND INNOVATIVE PUBLIC ADMINISTRATIONS ARE ESSENTIAL TO REALISE THE LISBON GOALS

Efficient, high quality public services for all are fundamental for economic growth, more and better jobs and affordable solidarity in Europe.

<u>Modernisation and innovation in public administrations should</u> significantly contribute to the Lisbon objectives and therefore <u>be included in the revision of the Lisbon strategy</u>.

Modern and innovative administrations provide efficiency gains by better internal performance and by multiplier effects that enable companies to lower their administrative costs and become more competitive. They reinforce innovation across the economy by being pro-active in delivering higher quality and new services and through their leveraging effect given their weight in GDP as major purchasers.

## 3. EGOVERNMENT IS THE WAY FORWARD AND A CATALYST FOR INNOVATION, AND SHOULD NOW DELIVER ON ITS PROMISE

eGovernment has been clearly shown to be a very promising way forward to <u>deliver increasingly better government</u>. eGovernment has also been clearly shown to be able to generate significant benefits. Moreover, <u>eGovernment is a catalyst</u> for change in organisation, work processes, mindsets, and for innovation.

But eGovernment should now realise its promise of measurably more efficiency, more effectiveness for the users, higher quality services, full accountability, better democratic decisions, and inclusive services for all. <u>Widespread modernisation and innovation of public administrations must become reality</u>.

## 4. THE FOCUS IS TO MOVE FROM READINESS TO IMPACT AND TRANSFORMATION.

Availability of online services has been the focus of European eGovernment so far (measuring the 20 basic services used in eEurope benchmarking in particular). The emphasis should <u>shift from online availability to achieving impact and wider user take-up, using more comprehensive benchmarking</u>.

This is only possible to the full extent if accompanied by <u>organisational transformation inside the public administrations</u>. A more comprehensive benchmarking is needed, which goes beyond measuring mere availability or numbers of users.

The EU has to invest more in R&D related to identification of impact and take-up indicators and measurement methodologies.

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[3] As opposed to services designed around existing administrative processes, administrative structures and public sector perception of what the user needs are.

*eGovernment Beyond 2005. "CoBrA Recommendations" to the eEurope Advisory Group for Modern and Innovative Public Administrations in the 20010 horizon*

*General*

## 5. eGOVERNMENT IS AT LEAST AS MUCH ABOUT PEOPLE, ORGANISATION, INSTITUTIONS AS IT IS ABOUT TECHNOLOGY.

The enablers to achieve overall modernisation and innovation in public administrations are organisational innovation, appropriate skills and innovative use of ICT, often with legal and institutional changes to deliver public services which are driven by user needs and have a strong focus on impact, take-up and socio-economic benefits[4].

Organisational innovation includes the improvement of human resources and skills. These "human" factors are essential to be able to make progress on organisational innovation but –most importantly- they should also be a driving force to turn organisational innovation into a continuous process.

In addition, analysis of innovation adoption is needed to understand what our institutions can realistically achieve. We also will need to accept that the rapid nature of technology change will introduce new opportunities and threats to the process.

Beyond "joining up" of administrations, organisational research is needed e.g. into the role of government in the wider democratic processes and opportunities for change created by new technology.

## 6. NOW IS THE TIME TO START DEFINING TARGETS 2006 TO 2010

Targets for impact and transformation towards 2010 should be agreed upon. Now is the time to start defining clearly understandable and measurable targets such as e.g.[5]
- a 25% reduction in the administrative burden for citizens and businesses,
- achieving interoperability,
- providing enablers (such as identity management) for pan-European services until 2010,
- evolution towards paperless administration,
- society-wide take-up of key eGovernment services,
- etc.

## 7. TO STAY GLOBALLY COMPETITIVE AND KEEP EUROPE ATTRACTIVE AS A PLACE TO LIVE, WORK AND INVEST

An essential objective of the strategy shall be to ensure that modern and innovative public administrations make a substantial contribution to European competitiveness and to keep Europe attractive as a place to live, work and invest.

The contribution to this goal should be a key element in the definition of strategies at all levels of government.

## 8. EUROPE IS WELL PLACED TO ACHIEVE WORLD-CLASS PUBLIC ADMINISTRATIONS

Finally, Europe is well placed to achieve world-class public administrations with the help of eGovernment. Already today several countries are in the top league. Efficient and high quality public administrations are a key resource for sustainable competitiveness and innovation in the global economy. Europe is well placed to achieve such world-class public administrations.

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[4] Cfr. Erik Brynjolfsson at the eGovernment Conference in Dublin on 17 June 2004, concluding that improvements cannot be achieved by only addressing "organisational innovation" or "ICT innovation". It is the combination of both which results in the largest benefits ("The Digital Organization: Evidence on IT and Productivity" presented at the "Economics and Benefits of eGovernment" plenary session chaired by Commissioner Liikanen).

[5] These are examples to suggest in which direction to look for actual and measurable targets that need to be developed in a next step.

# Policy cooperation and coordination

The benefits of policy cooperation and coordination at EU level in eGovernment are widely recognised. Lasting efficiencies and cost-savings in realising the common objectives of "Lisbon" justify policy cooperation. The implementation of EU legislation necessitates it.

## 1. ACHIEVE FLEXIBLE INTEROPERATION, RESPECTING DIVERSITY

Public administrations are based on the principle of subsidiarity, they will continue to reflect national diversity and to be much influenced by differences in the national political organisation. Cooperation and coordination have to take into account that harmonisation and alignment have limits.

The objective is therefore to achieve <u>interoperation based on recognition of national diversity, and to consistently overcome differences where this brings significant benefits</u>. Open standards should be used to the largest extent ensuring –in as far as possible- alignment with industry standards. Standards development with the private sector and internationally should be speeded up. There is a need to <u>define a roadmap</u> that spells out where the choice is either harmonisation or mediation to achieve interoperability (i.e. harmonisation where possible and reasonable and mediation to respect diversity).

## 2. COMMITMENT TO CONCRETE AGENDA FOR PAN-EUROPEAN SERVICES, INTEROPERABILITY, IDENTIFICATION & AUTHENTICATION

It is agreed that an effective way forward is to put in place key pan-European services in the Lisbon timeframe. Examples could be cross-border company registration, electronic public procurement, mobility of citizens and workers in Europe with minimal administrative burden, statistics, geo-data, environment, job search and online participation during the preparation for the European elections in 2009. Selected services, priorities and targets should be agreed upon in 2005.

Therefore commitment is needed to an agenda to realise interoperability, and in particular electronic identification and authentication, <u>enabling interoperation of national schemes necessary for the cross-border use of eGovernment services</u> and contributing to realising the internal market.

## 3. EGOVERNMENT FOR BETTER EVIDENCE-BASED POLICYMAKING

There is a need to cooperate on data/information definitions across borders in order to contribute to better evidence for public policy-making. <u>Evidence based analysis</u> with the help of common electronic data structures standards and definitions, and reuse of data <u>should effectively inform future policy and strategy</u>.

## 4. EGOVERNMENT TO ENTER INTO SECTORAL POLICIES AND PURSUING CONSISTENT ICT-IMPLEMENTATION RELATED TO EU DIRECTIVES

Sectoral policies are essential in the implementation of eGovernment. A horizontal eGoverment policy is needed but –most importantly- eGovernment policy should become part and parcel of sectoral policies (e.g. immigration, agriculture, social security, etc). eGovernment building blocks have to become integral part of sectoral or domain specific policies to achieve efficiency and scalability. This approach is in line with the user centric principle and the only way to ensure that problems are solved and lasting impact is achieved.

Therefore, <u>eGovernment shall be taken into consideration in the elaboration of domain specific or sectoral policies</u>.

<u>In the case of EU Directives and other legislative proposals, the Commission should make an eGovernment impact analysis of their implementation</u> in order to safeguard implementation feasibility and consistency.

## 5. REDUCE BURDEN FOR CITIZENS/COMPANIES BY COOPERATION AND BY ONCE-ONLY DATA PROVISION (RESPECTING PRIVACY, CITIZEN RIGHTS, AND DEMOCRATIC CONTROL)

An important guiding principle is to reduce the administrative burden for citizens and companies. Cooperation is needed to exchange approaches to information management policies, data provision, protection, sharing and re-use. A possible way to achieve user-oriented service delivery and <u>optimal re-use</u> of information is <u>once-only data provision</u> (meaning that the citizens and companies do not have to give twice the same information to the administration), also across borders, while ensuring that data protection, privacy, citizen rights and democratic control are respected.

Future EU law can play a role too, which should be further explored.

## 6. CONCRETE AND COMMON MEASUREMENT FRAMEWORK

'eGovernment realising its promise' also means being able to measure take-up and impact. A <u>common measurement framework</u> should be put in place and be used for practical policy cooperation.

Such a concrete and common measurement framework should address e.g. efficiency gains, effectiveness, red tape reduction (linked to better regulation when needed) , quality, security and trust in online public services shall be put in place.

In conjunction with red tape reduction, it is <u>essential to achieve simplification</u> of EU regulations and their transpositions at national level while introducing eGovernment. Alignment of better regulation efforts and eGovernment should be pursued at all levels.

<u>Comparison of national approaches with common target setting and measurement of achievements</u>, along the lines of the open method of coordination has proven to be useful and should be continued.

# Implementation cooperation and coordination

## 1. PRO-ACTIVE WIDE DIFFUSION OF GOOD PRACTICES, SUPPORTING EFFECTIVE TRANSFER, MECHANISMS TO CAPTURE KNOWLEDGE AND INVOLVE A WIDE COMMUNITY OF ACTORS

The benefits of cooperation in the exchange and pro-active wide diffusion of good practices are generally recognised. The scope of good practice cooperation should be widened to include new transfer and diffusion mechanisms (experiences, competencies and tools), sharing of building blocks and enhanced support.

The local and regional level is particularly relevant as a large proportion of eGovernment services are implemented at that level and there is a strong demand for cooperation and support at these levels.

Economies of scale justify cooperation on a shared European resource of building blocks for modernisation and innovation of public administrations while adhering to the important guiding principle of respecting subsidiarity.

The focus shall increasingly be on impact, take-up and public value[6]. This requires a good understanding and exchange of good practices on the business models put in place (reorganisation, incentives, marketing, innovative delivery, PPPs, etc.).

## 2. SHARED EUROPEAN RESOURCE OF BUILDING BLOCKS

It is necessary to build a shared European resource of building blocks for eGovernment.

Key elements of this shared resource are a fully developed European Interoperability Framework for pan-European services, specifications based on open standards, a network of competence centres, take-up and impact measurement tools, a limited number of well-defined EU-wide 'infrastructure services' such as those needed for identification (e.g. people, companies, location, services) and authentication (e.g. people, companies, providers, services, documents), good practice cases, implementation studies and case analyses, etc.

A specific task that should be taken up at EU level is to maintain an overview of ICT implementation and to seek consistency in joint ICT implementation of pan-European services, as well as of  EU Directives and other relevant EU legislation.

## 3. JOINT ACTION FOR PAN-EUROPEAN SERVICES

Pan-European eGovernment services - serving citizens, businesses and administrations- are expected to significantly contribute to economic, social and environmental renewal in Europe[7]. Some key areas are interoperable electronic procurement (public procurement in the Internal Market), eHealth systems and services (increasing citizen mobility e.g. by the health insurance card) and electronic customs administration across Europe.

Such services should improve the functioning of Europe today and also assist in responding to recent and emerging challenges such as the aging European population.

The European Interoperability Framework for pan-European services as well as joint pilots and exchange of experiences should be essential contributions. Pan-European services should therefore be implemented as a joint action of Member States with commitment to a concrete agenda.

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[6] Although there is no formally agreed definition of "Public Value", at the end of this section a description of some of its key elements is provided.

[7] "The role of Government for Europe's future", COM(2003)567 of 26 September 2003.

*eGovernment Beyond 2005. "CoBrA Recommendations" to the eEurope Advisory Group for Modern and Innovative Public Administrations in the 20010 horizon*

*Implementation Coord.*

## 4. STRENGTHEN LOCAL AND REGIONAL IMPLEMENTATION

Widespread implementation and take-up of modernisation and innovation in public administrations means that much has to be realised at the local and regional level. There is a need to strengthen the mechanisms to deliver eGovernment at the local and regional level.

A possible example is to put in place a network of national, regional and local eGovernment competence centres. Further consultation is needed during to 2005 to better delineate further actions needed at the local and regional level.

## 5. COHERENT STRATEGY FOR EU SUPPORT, ALIGNING PROGRAMMES

European programmes (research and development, piloting, implementation support) are important. They should contribute more than the sum of their parts by deepening their current cooperation and by striving for better alignment, e.g. in their workprograms and requirements. Such services should improve the functioning of Europe today and also assist in responding to recent and emerging challenges such as the aging European population.

Synergies should be realised between the future Framework Programme for Research and Technological Development, the Framework Programme for Competitiveness and Innovation and the Structural Funds, for sustainable high impact on the modernisation and innovation of public administrations in Europe.

> *"Public value refers to the value created by governments though the provision of services, the passing of laws and regulations, and other actions" by Gavin Kelly and Stephen Muers, quoted in UN, "World Public Sector Report 2003: eGovernment at the Cross-Roads"*
>
> *Public value involves all the short and long term contributions made by Public Administrations to the society and the economy.*
>
> *It includes efficiency gains by better internal performance and -most importantly- the multiplier social and economic effects, such as:*
> - *social development and inclusion,*
> - *enabling companies to lower their administrative costs and become more competitive,*
> - *reinforcing innovation across the economy,*
> - *leveraging effect given their weight in GDP as major purchasers.*

# Transformation

## 1. ASSESS ROLE OF GOVERNMENTS TO DELIVER PUBLIC VALUE

An assessment should be made of the role of governments in delivering public value (fast response, simplification, quality, efficiency) for meeting the needs of citizens and companies in the knowledge society, resulting in taking the necessary action to adapt services, processes and (re-)organisation. The assessment should be made at national level supported by guiding principles at a European level.

The emphasis here is on the need for transformation, based on assessment combined with taking action regarding the role of governments, taking as a starting point the delivery of user-centred public value. This assessment should assist us reconsidering the services that are to be provided – or not -, how service delivery is to be organised including partnerships with the private sector, which channels are to be used, which processes are needed and which inter-organisational forms of cooperation and distribution of responsibilities are required. All this is part of an evolution towards transformed, networked governance.

User-focused re-organisation of public administrations is absolutely essential for success (based on a clear understanding of the needs, behaviour and expectations of the users). But it is also one of the most difficult issues: eGovernment is still far from being a done deal.

Such re-organisation needs to keep a wide perspective on user needs to avoid getting stuck in a silo–focus on process re-organisation.

## 2. REQUIRES TOP-LEVEL POLITICAL AND ADMINISTRATIVE LEADERSHIP, ACROSS ALL OF THE ADMINISTRATION AND FUNCTIONS

Top-level political and administrative leadership and commitment, across all bodies of the public administration and across all functions (operations, HRM, finance, etc), remain essential for success. This is even more so the case where eGovernment increasingly means fundamental transformation. Half-hearted solutions tend to make matters worse.

Moreover, transformation cannot succeed without the full involvement of all stakeholders, including the civil servants themselves.

Therefore modernisation and innovation in public administrations beyond 2005 should stay high on the political agenda and get the highest political leadership and top-level administrative commitment across and between parts of the administration. Support should also be obtained from others than Ministers and DGs responsible for eGovernment.

Progress in this process should be monitored.

## 3. USE EU INSTRUMENTS TO ENABLE AND SUSTAIN TRANSFORMATION

Transformation can be enabled and sustained through the use of EU instruments. Therefore, EU programs should concentrate on key transformation issues such as: organisational change, citizen at the centre, inclusion, European Citizen. The means include pilots, transfer of good practice, technologies, methodologies, standards.

In addition to political commitment at EU level, EU initiatives should focus on enabling and sustaining re-organisation at all levels. Re-organisation and transformation should be emphasised in the development of pan-European services, shared building blocks, exchange of good practices, and advanced work in EU R&D and pilots. It requires analysis and planning to ensure success.

## 4. INNOVATION FRAMEWORK

There is a need for an <u>eGovernment innovation framework addressing innovation in a systematic way</u> such as in the use of innovation partnerships with the private sector, novel technologies, emerging delivery channels, etc. It should be accompanied by a European-wide gap analysis as an instrument to maintain the innovation framework frequently up-to-date.

Public administrations not only need to adopt new technologies for modernisation and innovation, they are also major contributors themselves to shaping technological and organisational innovation in society at large.

<u>Innovation partnerships</u> (public administrations − private sector − academia) <u>should be stimulated</u> and accompanied by better insight into innovation involving the public sector, including (but not exclusively) in the field of public procurement. This will also contribute to increasing R&D efforts in Europe towards the Lisbon target of 3% of GDP[8].

## 5. SKILLS TRAINING OF CIVIL SERVANTS

Successful transformation will only be possible with the full commitment and engagement of all the stakeholders. In this context, civil servants are key actors in the transformation of the administrations.

<u>Skills training of civil servants with respect to new ways of working and networked governance are essential</u> (e.g. Active Citizen)

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[8] "More Research For Europe: Towards 3% of GDP", COM(2002) 499 final of 11 September 2002.

# Financing

Sustainable eGovernment financing is still difficult to achieve, especially at the local and regional levels.

## 1. COMMON METRICS ON BENEFITS

A major hurdle continues to be the financing of modernisation and innovation in public administrations, notably in a period of tight budgets. The good news is that eGovernment has a clear potential to lead to considerable cost-savings. Some of these can be achieved even in the short term, freeing up budgets. The bad news is that it often takes a considerable time to fully realise efficiencies.

Cooperation at the European level and common metrics are needed where comparison is possible, or common criteria otherwise, including those that measure financial returns.

## 2. GOOD PRACTICES OF PUBLIC VALUE

Although cost-savings are a powerful driver in the shorter-term, modernisation and innovation involves other forms of public value creation, such as inclusion and equity. These may have a longer-term payoff in terms of competitiveness and innovation (and thus a financial payback), but such an effect is more indirect. However, they are important objectives in their own right and part of the Lisbon agenda.

Public Value should be a key consideration when prioritising eGovernment services. The exchange of good practices in delivering public value is essential in order to better understand the most effective mechanisms to deliver – and measure - public value.

eGovernment also contributes to other public policy objectives (e.g. implementing specific sectoral policies).

## 3. GOOD PRACTICES OF SUSTAINABLE CHANGE AND TRANSFORMATION - 'BUSINESS CASE'

Good practice in realising benefits should be identified to highlight initiatives with a positive shorter- or longer-term return on investment.

The "business case" should be analysed to ensure that the efforts for change and transformation can be sustained during the whole lifecycle of the eGovernment service.

## 4. CLARIFY AND EASE ACCESS TO EU AND OTHER FINANCING

There is a need for better information about financing possibilities and better access to financing modalities and financial partners from the private sector as well as public financing e.g. from the EIB and the proposed Framework Programme for Competitiveness and Innovation.

## 5. MODERNISATION AND INNOVATION OF PUBLIC ADMINISTRATIONS STRATEGIC IN FINANCIAL PERSPECTIVES

For both cases of ICT-use in public administrations (directly contributing to more efficient and high-quality services that raise competitiveness and innovation of businesses and the indirect contribution through meeting social objectives such as inclusion), EU-funding should be included in the future Financial Perspectives, aiming at achieving the largest possible leverage and multiplier effects in addition to contributing to realising actual solutions.