

Achievements and Emerging Challenges

Better regulation for green growth

**Simplification strategies through
e-government**

Better regulation for green growth

Regulation, in addition to taxation and expenditure, is one of the key levers that governments can use to promote Green Growth. Quality regulation can be an enabling factor to foster and implement a green growth agenda, facilitating the adoption of more efficient innovative technologies. Poorly designed or applied regulations may prove detrimental and impose significant costs. Therefore, regulatory design matters to facilitate the adaptive process throughout the economy, and stimulate growth in cleaner sectors. At the same time, regulatory instruments intended to stimulate the take up of green technologies may inadvertently constrain market dynamics and lead to inefficient and ineffective solutions. Furthermore, without proper oversight and a sound regulatory policy, there is a risk of regulatory incoherence and overlap between new green-growth related regulatory proposals and the stock of existing regulations.

The framework of regulatory policy plays an important role in ensuring that the use of regulation to stimulate Green Growth is efficient and coherent with government-wide objectives. This session will emphasize this role and provide an opportunity to discuss some of the key implications of Green Growth strategies for regulatory policy. The session will address the issue of policy coherence of regulatory initiatives related to Green Growth, as well as the need to reform of the stock of existing regulations through periodic reviews.

- How can governments ensure that their policy initiatives and regulatory frameworks are well co-ordinated in the context of implementing green growth strategies? How can policy makers maximise policy coherence for this new agenda?
- What is the role of regulatory quality instruments in the implementation of green growth strategies? How can they help to achieve intended objectives at a lower cost?
- Can existing regulatory frameworks and institutions ensure the smooth implementation of a green growth agenda? If not, what needs to be changed?

Chair: **Mrs. Catharina Håkansson Boman**, State Secretary,
Ministry of Enterprise, Energy and Communications, Sweden

Speakers: » **Prof. Jason Johnston**, Professor of Law, University of
Virginia School of Law, United States

» **Dr. Chanho Park**, Director-General, Global Legislation
Research Centre, Korea Legislation Research Institute

» **Dr. Klaus Jacob**, Research Director, Environmental
Policy Research Centre, Freie Universitaet Berlin

» **Prof. Hitoshi Ushijima**, Faculty of Law, Chuo University,
Japan

Session A3. Better Regulation for Green Growth

- There is scope to enhance existing regulatory assessment tools to improve the information available to policy makers on the impacts of policies on the environment, and to ensure regulation properly addresses market failure and negative externalities.
- Green growth will come through innovation. Regulation can facilitate innovation this by promoting flexibility and the correct pricing of negative externalities. But governments should be cautious in assuming they can use regulation to promote green growth industries. History suggests that governments can often fail if they try to back winners in the green marketplace. Efforts may undermine green initiatives if they have unintended environmental outcomes.
- Nonetheless, businesses need regulatory certainty to commit to future investment and decisions are required. However, proposed regulatory instruments intended to provide incentives and penalties for green activities should be guided by careful calculation of the likely costs and benefits and likelihood of unintended outcomes. This should involve an examination of regulation both in text and in practice for its impacts on markets. A consideration of the complexity of instrument choice is also warranted.
- Innovation may also come through the problem being tackled indirectly. Even social policies can promote growth and facilitate lower environmental costs in the long run. (through for example educating and empowering females who make a greater economic contribution and reduce fertility rates).

Quotes (adapted)

“Facilitating markets facilitates innovation”

“There is demand from Industry for clear regulatory frameworks on the treatment of carbon”

“In the past environmental regulation has been a driver for innovation and economic performance”.

Future projects:

There appears to be demand for further work on the use of RIA for the assessment of environmental impacts, including procedures and methodological issues. (We are working on this at present)

Implications for the Principles:

There is clear interest and a knowledge deficit among member countries for advice on how to use regulation efficiently to address the green growth agenda. This should be addressed in the context of the OECD’s overall strategy for Green Growth and reflected in a revised version of the principles.

The Role of the State in Influencing the Environmental Impact of Economic Growth: Some Preliminary Thoughts

By Jason Scott Johnston

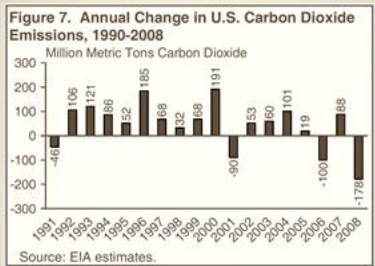
Henry L. and Grace Doherty Charitable Foundation
Professor and

Nicholas Chimicles Research Professor of Business Law
and Regulation

University of Virginia School of Law

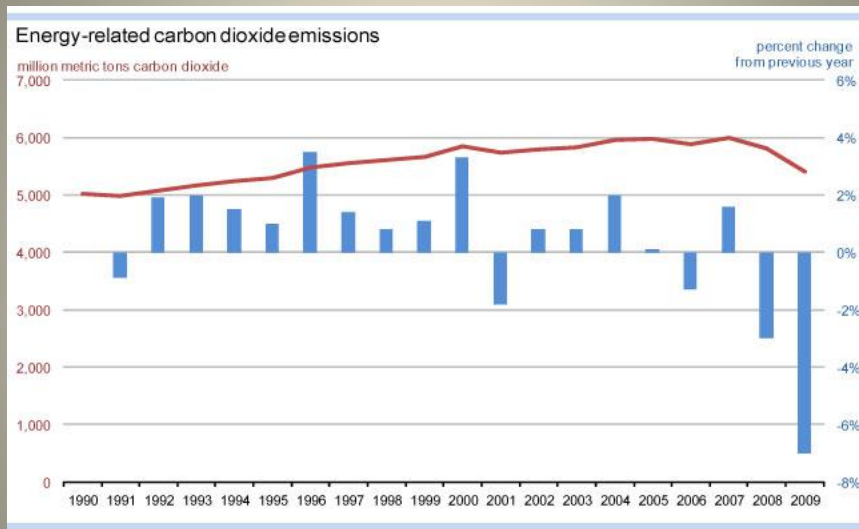
Presented to the OECD Conference:
Regulatory Policy at the Crossroads
Paris, 28-29 October 2010

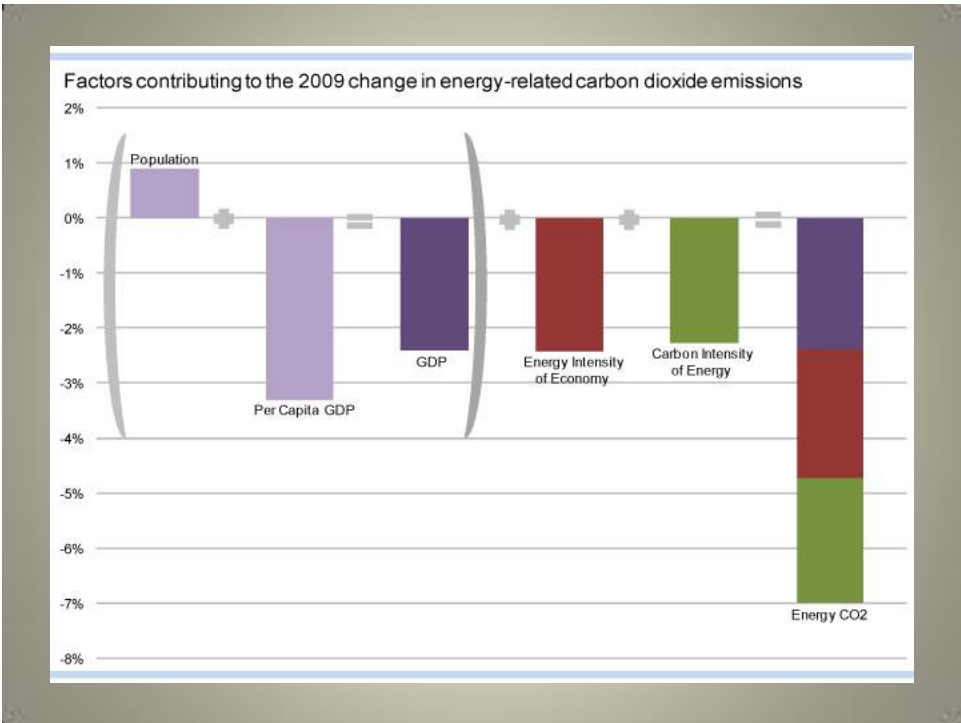
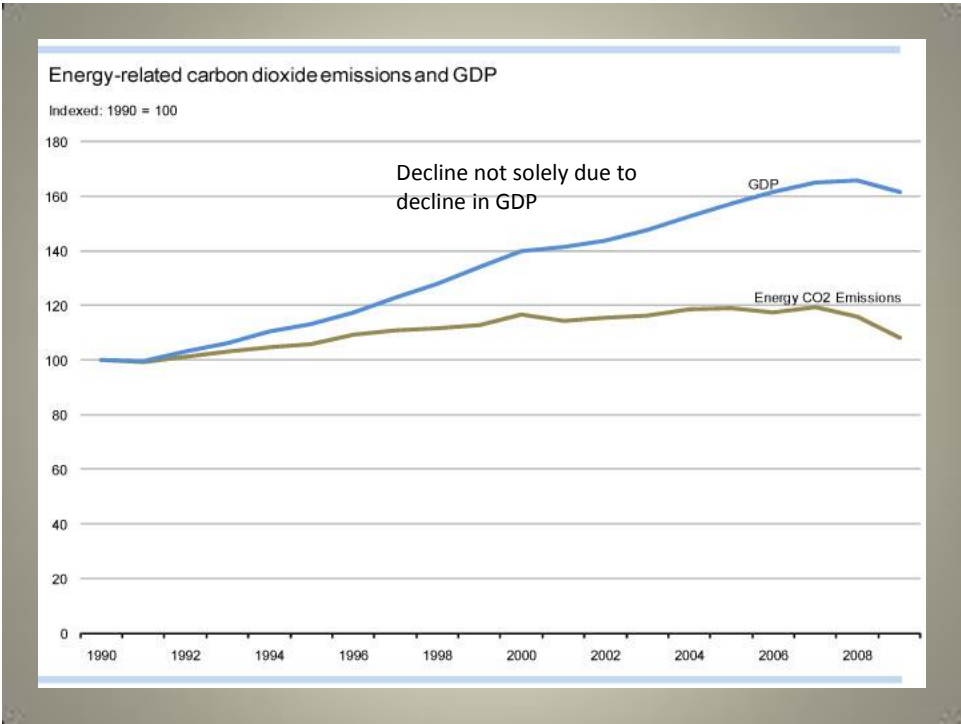
- Overview: what has been happening with U.S. economic growth and CO₂ emissions
- Policies for the Future
 - Naïve Policies for “Green growth” often backfire
 - Environmental benefits of economic growth likely underestimated
 - Easy, “no regrets” options likely much more limited than bottom-up engineering studies suggest
 - Need to consider economic incentives in a realistic model of government policy choice

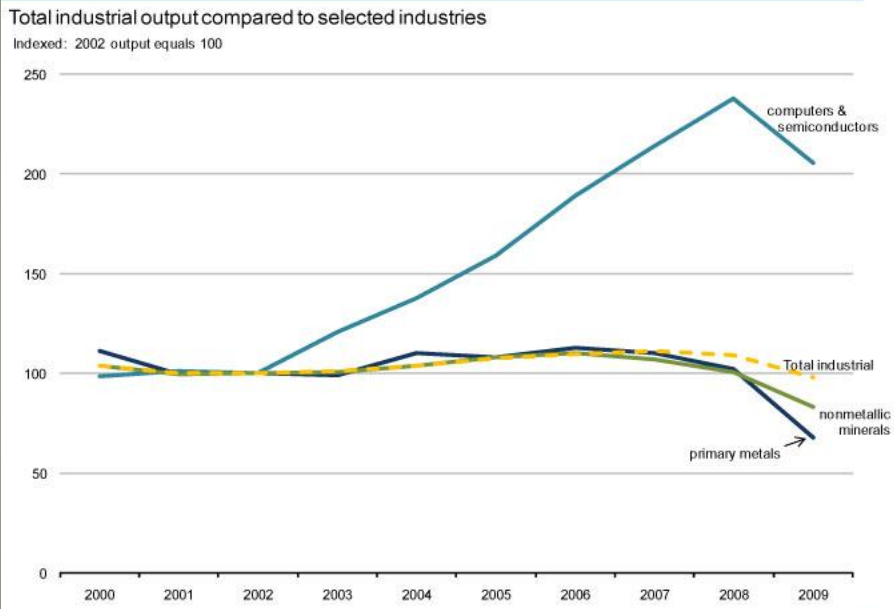
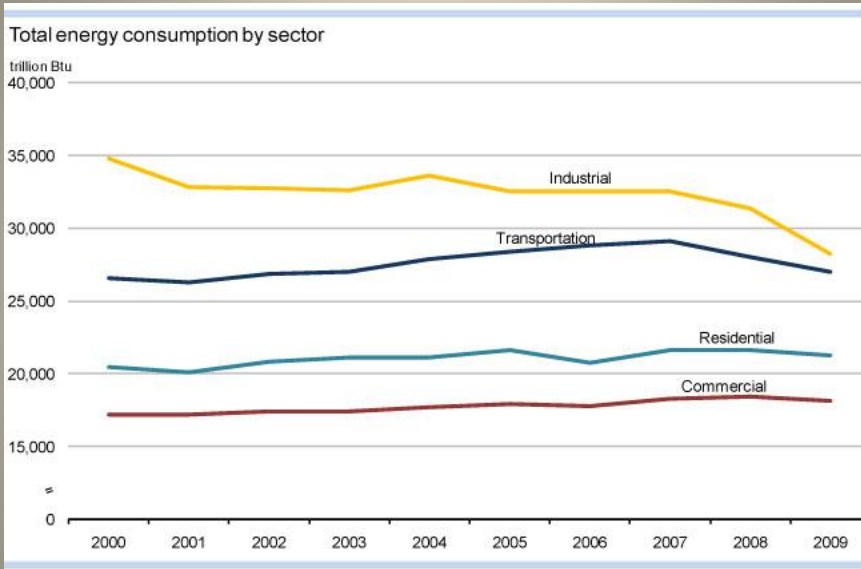


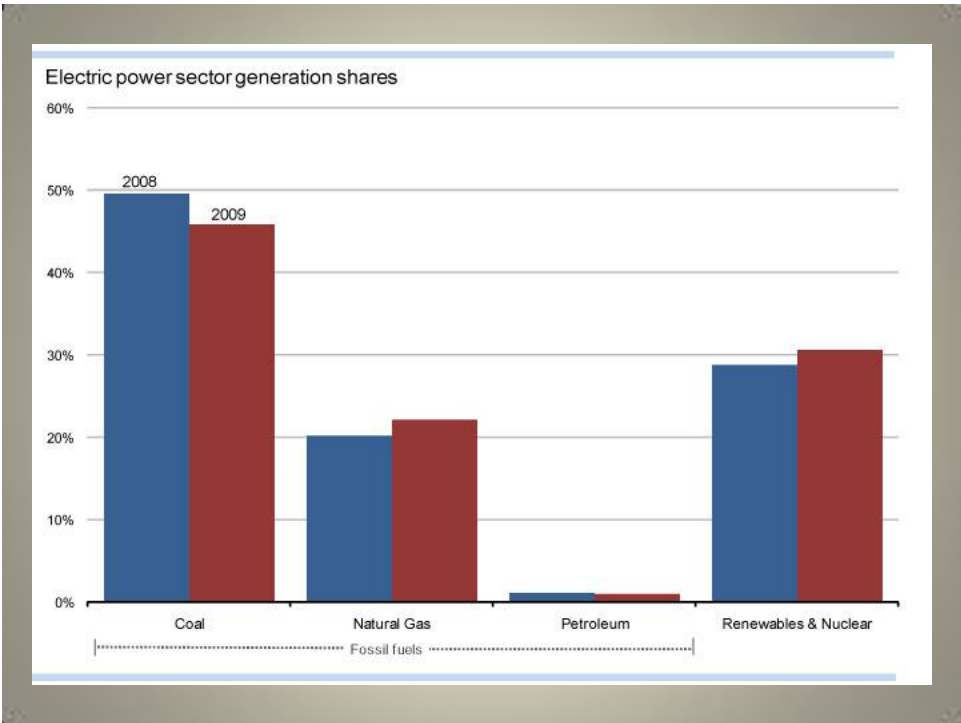
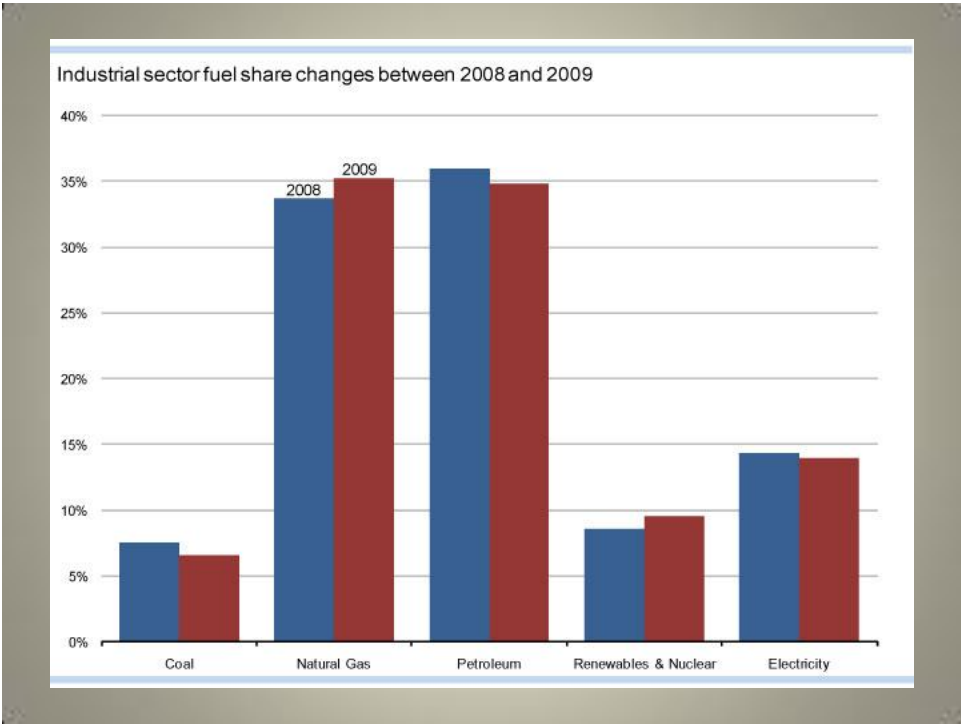
	1990	2007	2008
Estimated Emissions (Million Metric Tons)	5,022.3	6,017.0	5,839.3
Change from 1990 (Million Metric Tons)		994.7	817.0
(Percent)		19.8%	16.3%
Average Annual Change from 1990 (Percent)		1.1%	0.8%
Change from 2007 (Million Metric Tons)			-177.8
(Percent)			-3.0%

In 2009, energy-related carbon dioxide emissions in the United States saw their largest absolute and percentage decline (405 million metric tons or 7.0 percent) since the start of EIA's comprehensive record of annual energy data that begins in 1949, more than 60 years ago. Also, emissions have declined in three out of the last four years, and .9 per cent average decline over period 2000-2009.









Economic Growth and the Environment: the Future

- All growth projections for developed world have been too high and will continue to be too high
- “Green growth” does not mean just lowering CO₂ emissions, but reducing environmental harm so as to maximize net benefits of growth to the society, while investing in preservation and restoration
- There are indeed potential conflicts between CO₂ emission reduction and preservation/restoration: the environmental costs of wind and solar (Scotland, Wyoming) and hydro
- Moreover, growth often means lower environmental impact: e.g., gains in crop yield since 1961 due to higher yielding varieties, increased pesticide and fertilizer use have preserved forests and continuing increases in crop yields necessary to minimize agriculture’s future impact on ghg emissions (see Burney et al PNAS 2010)

Policy Choices

- Naïve: subsidize “green” energy because of supposed positive externalities and to equalize playing field with subsidized fossil fuels
 - Subsidies to U.S. oil, coal and natural gas of \$72 billion between 2002 and 2008, but \$54 billion in tax credits, only \$18 billion in cash and R&D subsidies
 - 2009 stimulus, \$100 billion to DOE for renewables
 - Most of renewables subsidy to date has gone to corn-based ethanol
 - Lots of federal stimulus money spent on new roads by States

Harmonizing Markets and the Environment

- Must consider economic incentives
 - “Bottom-up” engineering approaches revealing ghg emission reduction free lunch/no regrets (McKinsey, 2008) fundamentally flawed: assume away costs of switching energy sources, ignore evidence of high consumer discount rates (20-30%) for energy-saving investments, due to borrowing constraints, uncertainty; choose a few, unrepresentative industries as benchmarks; conservation measures would be part of future status quo
 - Economic freedom Index explains 36 per cent of variation in energy use per dollar of GDP across countries (even among just developing countries), due in part to creating favorable environment for FDI also because econ freedom means fewer price distortions, better property rights protection, less protection of inefficient state-controlled industries
- Smart growth is environmentally friendly growth
 - Increase female education levels, reduce population growth rate, and future population strongest driver of future projected ghg emissions, future deforestation
 - Reduced state role implies less subsidization of “green” sectors, but also less subsidization of polluting sectors, and if some “green” sectors actually not so green (e.g. ethanol), then a win-win
 - In general, outcome of direct state role in encouraging green growth depends upon state’s knowledge and information PLUS the equilibrium impact of interest groups

Simple Regulatory Framework and Voluntary Participation in Green Growth

Oct. 28th, 2010

Dr. Chanho Park

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**I. Why we need the New Regulation Framework
for Green Growth?**

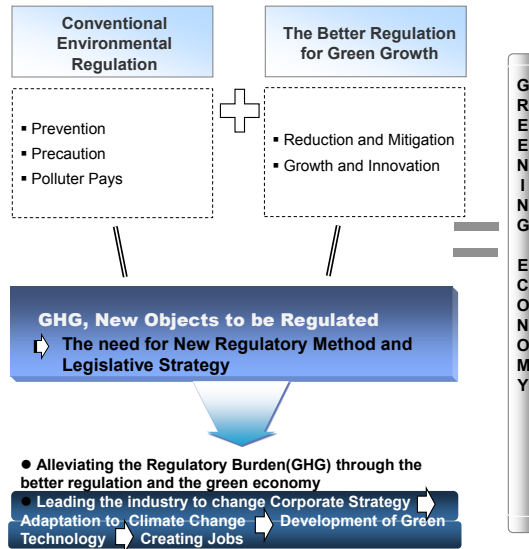
II. The Regulatory Authority

III. The Regulation Methods for Green Growth

IV. Green Growth Regulation in Korea

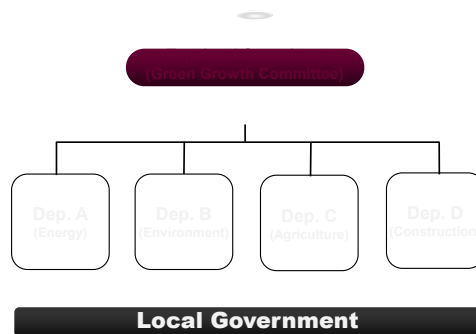
VI. Future Issues

I. Why we need the New Regulation Framework for Green Growth?



II. The Regulatory Authority

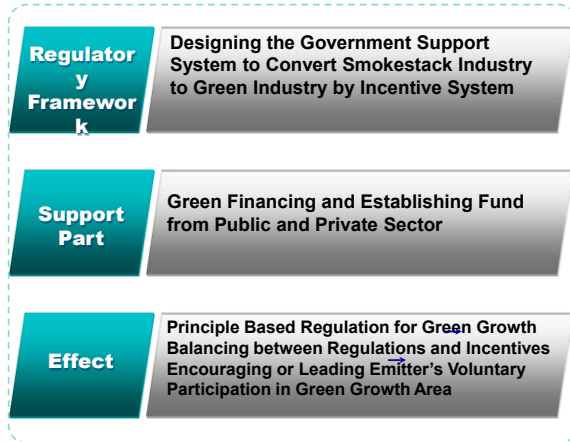
- One Control Tower in the Departments



- Improving the Efficiency of Implementing policy
- Prevention of Overlap and Vacuum (or Gap) among the Governmental Bodies' Policies ⇔ Reconciliation of Local Government's Policies
- Appropriate Budget Allocation
- Preventing Double Regulations

III. The Regulation Methods for Green Growth

1. Less Penalties, More Incentives



➤ **Incentive not only by Government, but also by Market**

III. The Regulation Methods for Green Growth

2. New Regulatory Method for GHG Reduction

- Non-Discrimination within Same Industrial Sector
- Differentiating Industrial Sectors according to Annual or Phase Reduction Target
- Setting an Attainable GHG Reduction Target
- Application of Differential Regulatory Methods to Controlled Entities
- Linking the International Carbon Market

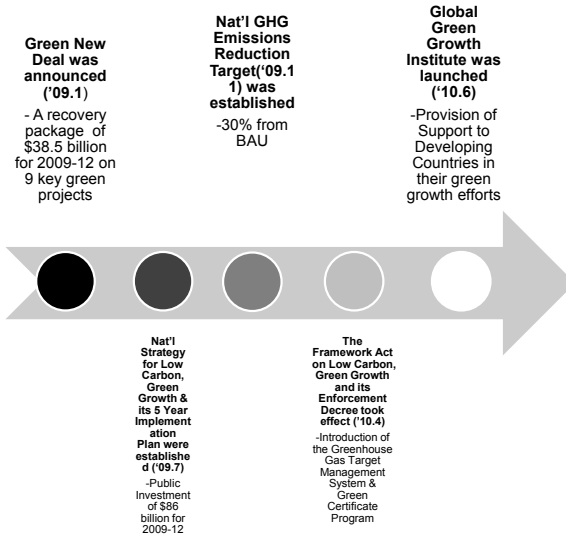
3. The Consideration for Industry or Company

- Flexible Implementation ► Open Legitimacy Exit for the Complete Adaptation to Climate Change ex) M.R.V. System, National GHG Inventories, Civil Penalties, ETS etc.
- Make up for the Weak Point in Unilateral Administrative Orders from Government
- Consideration for each Industrial Sector, such as International Trade and Carbon Intensity

➡ **Cost Effective Regulation**

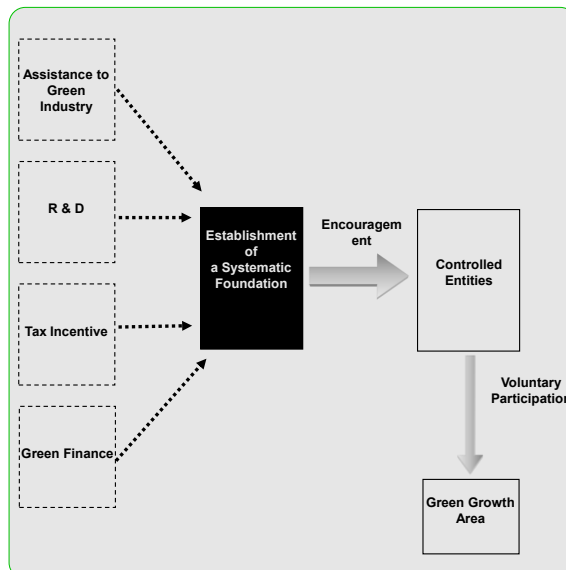
IV. Green Growth Regulation in Korea

1. Milestone



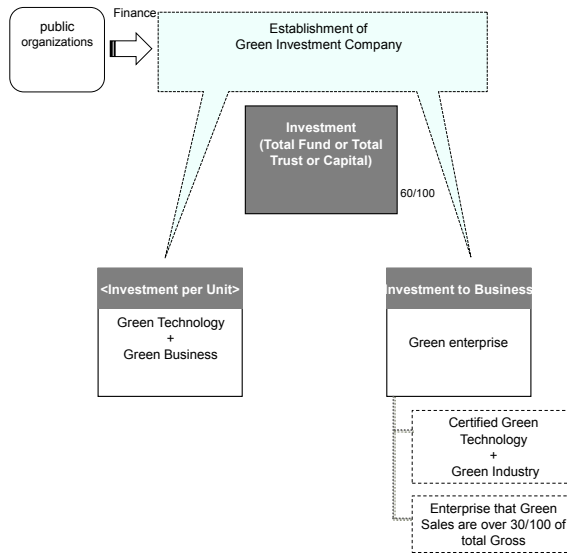
IV. Green Growth Regulation in Korea

2. The Support Part for Green Growth



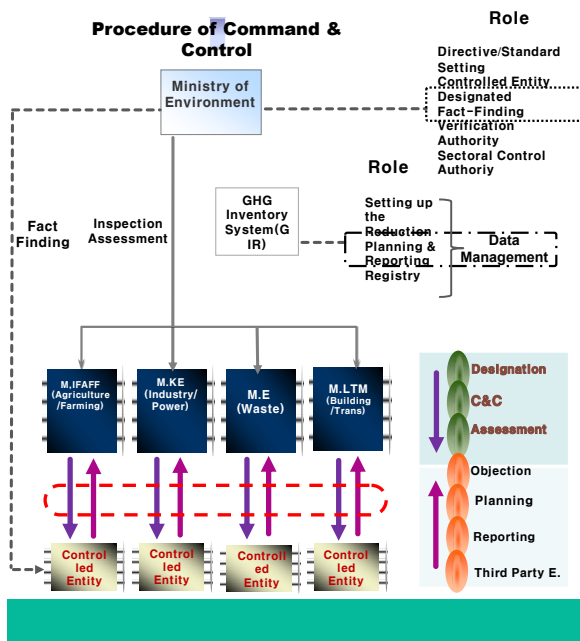
IV. Green Growth Regulation in Korea

3. The Prevention of Green Bubble



IV. Green Growth Regulation in Korea

4. M.R.V. System in Korea



V. Future Issues

1. Credibility

- The GHG Emission Data from each Entity(Business and Facility)
- Public Verification or Third Party Verification
- Attainable Monitoring and Reporting Process

2. Establishment of Global Standard

- Principle Based Regulation
- Assisting all Countries to participate voluntarily in Green Growth Regulation
- Optimized Regulatory Method for each State's Situation
- Automatic Convergence toward Green Growth(Simple Regulation and More Incentive),
Not Compulsory Unification of GHG Regulation

 **Final Goal: The Reduction of GHG, The Improvement of Energy Efficiency, The Prevention of Global Warming**



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Considering Environmental Aspects in RIA

Regulatory Policy at the Crossroads – Towards a New Policy Agenda

Paris, OECD 28-29 October 2010

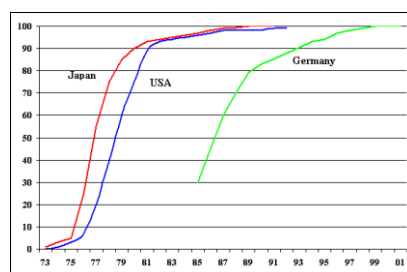
Background

What are the opportunities to improve the regulatory quality of legislation in terms of environmental impacts?

- Environment as cross cutting issue: Integration and coherence
- Environment as driver for innovation and economic growth

Example: Lead Markets for Automobiles with Catalytic converter

Fig. 1. Share of passenger cars equipped with catalytic converter in %



Environmental Policy Integration

Since the 1970s: Ex ante Impact Assessments on policies/regulations, e.g.

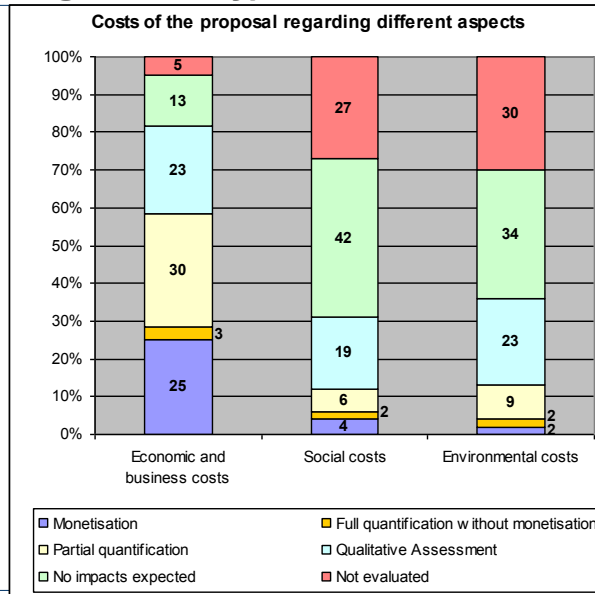
- Checklists
- Indicators
- Models
- Guidelines
- Background studies

But: lack of implementation and consideration

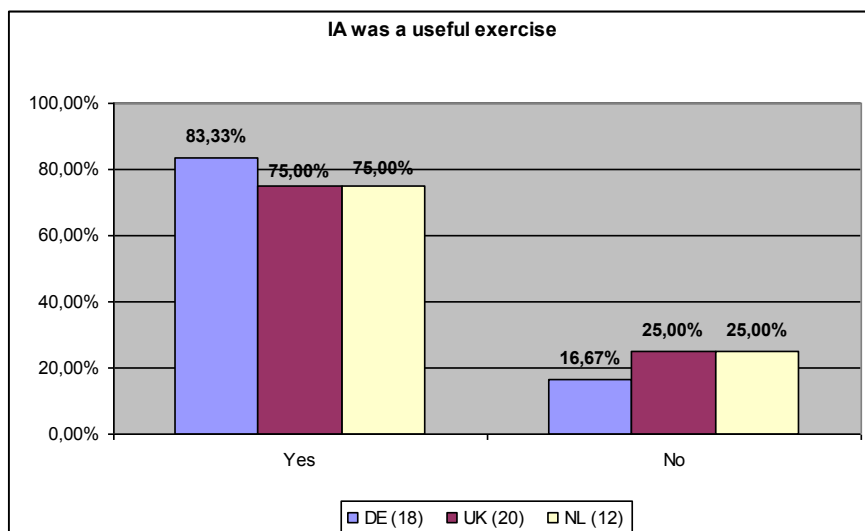
Overall Implementation

- **High degree of variability of processes and results**
- **Overall considerable deficits in implementation**
 - Often no assessment
 - Late in decision making
 - Narrow definition of impacts (direct costs)
 - Little interdepartmental coordination
 - Little participation of external actors
 - Very little quantitative and formalised analysis
 - Frequently formalistic conduction
- **Potentials for Policy Integration are rarely used**
- **Exemptions UK and EU**
 - High degree of formal implementation
 - But: also room for improvement in quality

Considering different types of costs



Overall view on IA



Difficulties

- 1) **Technical difficulties: Anticipation of behaviour is difficult, many different issue areas, long term perspective, difficulties to aggregate and weigh**
- 2) **Lack of Resources: Budget, time, trained staff**
- 3) **Lack of Demand: Commitment of the hierarchy, need to find compromises, proliferation of arguments**

Matching Demand and Supply

Experiences from jurisdictions which explicitly gear their (R)IA to integration of environment/sustainability

•Impact Areas:

- Holistic approaches (e.g. NL)
- Focused set of priority areas (e.g. Germany, Ireland)
- Guidance on impact areas, but case by case determination (e.g. EC, Switzerland)

•Tools:

- Quantification/Monetization (e.g. UK, Australia)
- Preference for CBA but inviting other aspects (e.g. IRL, EC)
- No recommendations on tools (e.g. NL, Germany)

Matching Supply and Demand

•Consultation and Transparency:

- Internal procedure (e.g. Belgium)
- extensive internal and external consultation (e.g. EC, UK)
- publishing of analysis or only conclusions

•Environmental departments

- Part of interdepartmental preparation
- Overseeing the process (e.g. EC, NL)

•Quality control:

- Procedural requirements
- Internal review (UK, IRL, EC)
- Parliamentary Committee (Germany)

Explaining Implementation

Conditions for effective IA:

- Transparency
- Integration
- Quality Control

Ambiguous:

- Standardization of Methods
- Determination of Impact Areas

Assessing Carbon Impacts

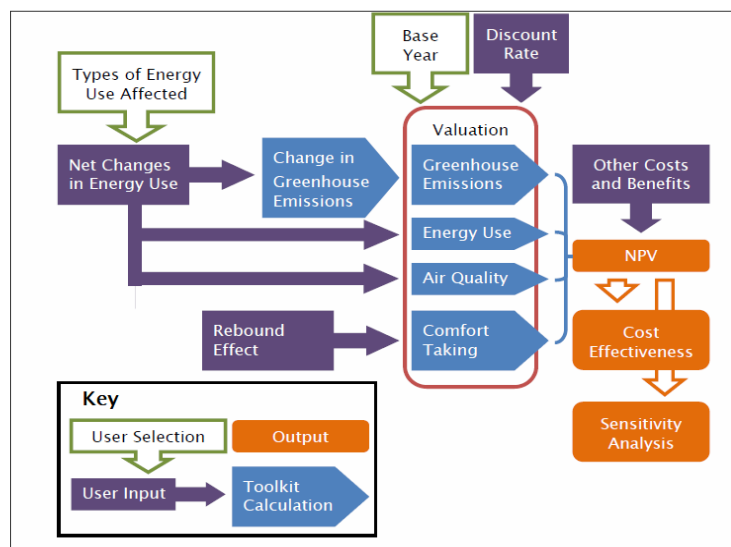
Examples from UK, USA, Austria and Belgium:

- 1) Analysing expected changes in energy use
- 2) Pricing CO₂ (e.g. shadow price/target consistent approach)

or

Qualitative Assessment

(Belgium: Focus on reduced carbon emissions from admin burden reduction)



CIA as the SCM for the Environment?

Use of Energy

Shifts in energy sources

Changes in efficiency



**Changes in CO2 Emissions
(in \$/EUR/YEN/RMB)**

- Assumptions independent from policy

- Related to high level goals

- Easy to aggregate and monetize

- Quality control

- Impacts on other environmental issues and possible trade offs

- Defining system boundaries

Better Regulation for Green Growth: A View

Hitoshi USHIJIMA
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OECD Conference
Regulatory Policy at the Crossroads:
Towards a New Policy Agenda (section A3)
28 October, 2010

Questions Posed:

**Regulatory Policy
for Green Growth
at Three Stages**

Regulatory Policy

- Making
- Implementation
- Evaluation/Review

A Perspective: Regulatory Governance

- an integrated approach to the deployment of
 1. regulatory institutions
 2. regulatory tools
 3. regulatory processes

Regulatory-Policy Making, Implementation, and Evaluation in Japan

National Government

- Coordination and Stronger Leadership by the Cabinet (Office)
(e.g. amendments of the Cabinet Law)
- Evaluation of Current Regulations by the Council for the Promotion of Regulatory Reform (since 2001)
- Experiments of Deregulation by Special Zones for the Structural Reform
(since 2003)

Other Processes/Actors Involved

- Decentralization (local governments)
local-based coherence & efficiency
- Developing rulemaking procedure
(civil society)
- Extended judicial review of administrative decisions (judicial branch & civil society)

Regulatory Innovation for Green Growth (1)

- Promotion of Renewable Energy Production
(deregulation, subsidies)

Regulatory Innovation for Green Growth (2)

- Development of
Material Circulation (3R)
 - e.g. (+) substantial deregulation by clear statutory interpretation
 - (--) limited number of plastic bottles recycled due to export

Regulatory Innovation for Green Growth (3)

- Environmental Tax
(proposed Climate bill +)

Regulatory Innovation for Green Growth (5)

- EIA (Environmental Impact Assessment)
&
SEA (Strategic Environmental Assessment)
comprehensive assessment
more public participation at an earlier stage

Regulatory Innovation for Green Growth (5)

- Environmental Cleanup Law
(Soil Contamination Countermeasure)
2002 & 2009 amendment
New regulation would create/expand a new
market.

Conclusion (1)

- Regulatory & environmental policy mix by full coordination within the government including competition policy
- Regulatory policy accomplished through all governmental processes (three branches and multi-layered)

Conclusion (2)

- Promotion of PPP/ public participation (public-private-partnership)
- Examination of regulation both in text and in practice in a society
- Potential contribution of (more) regulation to green growth

Simplification strategies through e-government

Regulatory policy involves significant administrative simplification programmes in many countries. Significant synergies exist between these programmes and governments' overall e-government strategies. Countries that are successful make extensive use of e-government tools in implementing their administrative simplification strategies. Simplification in the sense of the front office (setting up of one stop shops and business portals), and making life easier for citizens and businesses, requires investment towards the establishment of an integrated and coherent e-government back office. E-government requires functional analysis as well as thorough standards to ensure the privacy and safety of data processing. Data transmission and the interchange of data between systems may involve significant challenges.

The institutional organisation may vest responsibilities for simplification and for e-government in different government agencies or ministries. There is therefore a need for co-ordination and for policy coherence, to ensure that overall policy goals can be met at the least cost. This appears both at the level of policy development and implementation. The session will discuss various approaches for coherence and co-ordination, and confront them with civil society perspectives and some representation from users' groups. Regulatory processes need to facilitate the implementation of comprehensive e-government programmes.

- How can administrative simplification and e-government efforts together maximise potential gains, taking full advantage of their synergies? What is the role for participation and active involvement of citizens and businesses?
- How can efficient simplification strategies take full advantage of e-government?
- What are the challenges to overcome silo-based approaches across different administrations and departments? Is there scope to define good practice for co-ordination and implementation?

Chair: **Mr. Erwin de Pue**, Commissioner General, Agency for Administrative Simplification, Belgium

Speakers:

- » **Prof. Maria Manuel Leitão Marques**, Secretary of State, Presidency of the Council of Ministers, Portugal
- » **Mr. Alaa Kotb**, Vice President of the State Council, Egypt
- » **Mrs. Eva Meiling**, Deputy Director General, Danish Commerce and Companies Agency, Ministry of Economic and Business Affairs, Denmark
- » **Mr. Pierre Schilling**, Deputy Director, Centre des technologies de l'information de l'Etat, Luxembourg

Session A4. Simplification strategies through e-government

?YmDc]bhg

- A silo-approach is an obstacle to exploit synergies of e-government and administrative simplification efforts in many countries. However, closer integration of these two efforts is inevitable as these are closely interconnected. E-government supports simplification and simplification projects rarely do not include e-government element.
- A user-centric approach may be one of the possibilities to deal with this issue. Citizens/businesses do not really care about the distribution of competences inside the administration. Therefore, when initiatives come up from the users of regulations, they are by origin cross-cutting and the administration has to deal with them in such a way.
- Not only ex post simplification but also law drafting should be closely integrated with e-government. Digital solutions should be considered as important options when developing new regulations. Human factor is overlooked in e-government projects.
- The main issue right now is the change of culture. You cannot run before you walk. The capacities for using ICTs must be enhanced so people are able to use ICTs effectively before they are able to come up with innovative approaches to administrative simplification and regulation.

Good practice example

- Electronic ID in Portugal enables citizens to access electronic public services. This is also the case of Luxembourg, where they can also access some private sector services with their eID.

Quotes (adapted)

“First simplify, than develop electronic services. Otherwise it leads to e-bureaucracy.”

“Administrative simplification and e-government are two sides of the same coin.”

“If digital solutions can make compliance easier for businesses and citizens, you do not have to change regulations to simplify”.

Future projects:

Many countries focus on the issue of exchange of data inside administration so the information have to be submitted to the government only once by citizens/businesses.

Implications for the Principles:

Not only regulations should be more user-centric, regulatory reform initiatives should be user-centric as well.

Simplification strategies through e-Government Portuguese initiatives

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PORTUGAL - Ministry of the Presidency - Office of the Secretary of State for
Administrative Modernization
October 2010

SIMPLEX:

A Programme that joins e-Government
and Cutting Red Tape Initiatives



SIMPLEX: A Program that joins e-Government and Cutting Red Tape Initiatives

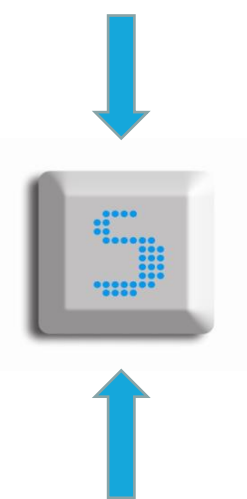


In order to:

- Reduce administrative burdens for citizens and businesses;
 - Licensing zero
- Deliver faster, simpler and more user-centered public services;
 - Citizen's Shops, Integrated Services like the "I lost my wallet" and the "One-Stop House" counters
- Improve the administration's internal efficiency.
 - More with Less: sharing platforms, like the interoperability platform



SIMPLEX: How is it done and with whom?



- **Bottom-up:** proposals coming from public bodies in all Government departments;
- **Top-down:** the Executive sets out major priorities and guidelines, and coordinates the Programme.



SIMPLEX:

A Programme based on cross-department cooperation...



SIMPLEX:

... and also on multilevel collaboration



“Simplex Autárquico”: a Programme developed in **partnership with the Municipalities** (local Government)

- 119 Municipalities (57.2% of the population) with 620 initiatives proposed for the 2010/2011 Programme



SIMPLEX: A Programme in Co-production



- Simplex's blog, Facebook page and Suggestions box
- Public Consultations
- Simplex Idea Award

All available at www.simplex.pt



SIMPLEX: Transparency and accountability



All the outcomes are published on line at www.simplex.pt :

- **Initiatives:** concluded or not concluded on time;
- **Impacts:** savings for business, citizens' perceptions, other statistical data;
- **Delays** are also on line, as well as the reasons why the projects are delayed.



SIMPLEX for central and local government

Main outcomes



5 years, 5 programs (2006-2010)

+800 initiatives completed



2 years, 2 programs (2008-2010)

+350 initiatives completed



Why joining simplification and e-Government ?



Simplification helps e-Gov

First simplify, then develop electronic services!

Otherwise electronic administration would be as inaccessible as traditional public services



Why joining simplification and e-government ?



e-Gov helps Simplification

Use technology to enhance cutting red tape!

So that simplification can move from the law-making stage to more user-friendly and integrated services



On-the-spot firm What is it?



A service that enables entrepreneurs to set up a company at a **single contact point** and in **less than one hour** (in average it took **36 minutes** in 2010), without filling any **application form**.



Zero Licensing What is it?



- A simplified licensing regime that replaces the existing licensing procedures by a **simple communication** through an **electronic point of single contact**, available on the Businesses' Portal (www.portaldaempresa.pt)
- It enforces certain services, retail and wholesale economic activities, such as: restaurants, food and beverage retail stores, hairdressers and flower shops, among many others.



2. Zero Licensing Example: opening a restaurant in Lisbon with a canopy, a terrace and a game machine



Before the reform you needed to:

- Consult 7 different regulations;
- Fill in and deliver 6 application forms;
- Deliver 83 additional documents required;
- Visit 4 public services more or less 11 times;
- Wait for a long and variable time for the analysis of around 15 directors and technicians
- Start the business



Zero Licensing

Example: opening a restaurant in Lisbon with a canopy, a terrace and a game machine



After the reform you need to:

- Access an electronic point of single contact;
- Consult the rules and guidelines previously defined and published in a plain language;
- Fill in a single electronic and dynamic form;
- Pay the fees by electronic means;
- Start the business.

The control is made ex-post.



Online Simulator for permits related to industrial activities

What is it?



An application that enables businesses to:

- Get in advance the relevant information for licensing (deadlines, taxes, etc.);
- Simulate all stages of the procedure;
- Request the license
- Follow-up its progress.



Simplified enterprise information

What is it?



- An application that enables enterprises to deliver electronically, through a **single online form**, all the companies' annual accounting, statistical, tax and financial **information to 4 different public services**.



Permanent Certificate

What is it?



- A system that enables companies to have **permanently available and up-to-date certificates** of trade, real-estate, vehicle and civil registration in an Internet site (www.empresaonline.pt).
- The Permanent Certificate eliminates the paper-form certificate.



Citizen's Card What is it?



The new Portuguese identification document **enables citizens to identify themselves when using online public services, as well as to sign documents electronically.**



Replaces several cards:

- ID card
- Taxpayer card
- Social Security card
- Health Care card



Citizen's Card A driver to develop integrated electronic services

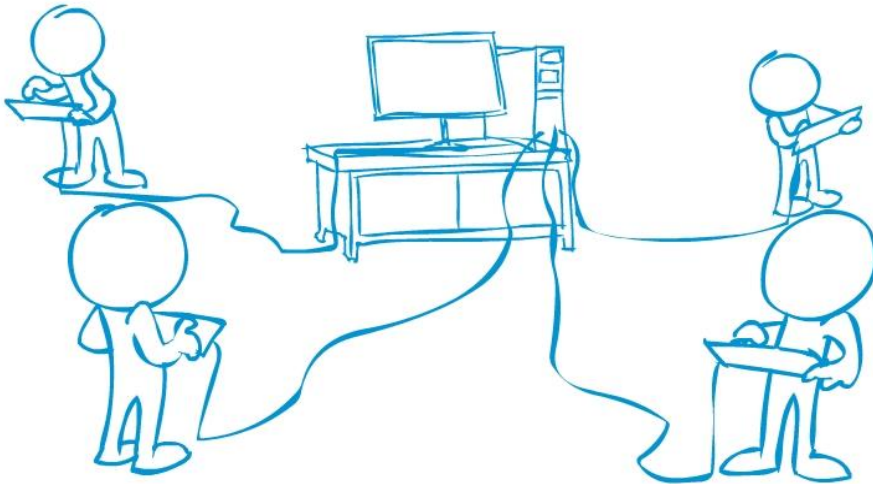


Enables access to several online public and private services for citizens and business

- Start up a business on-line on the Business Portal
- Change address
- Apply for industrial licensing
- Complain to authorities
- Buy and Sell a car
- University applications
- Unemployment benefits request
- Open a bank account



Interoperability platform



4. Interoperability platform What is it?



- Interoperability between different information systems enables to deliver more integrated and cost-effective services (doing more with less)
 - The “Portuguese Interoperability Platform for Public Services” supports services such as the **“I Lost my Wallet” counter**, which allows citizens to renew two or more documents issued by different public services in one go (one ticket, one waiting line).



Simplification strategies through e-government Portuguese initiatives

www.simplex.pt



simplex

Programa de Simplificação
Administrativa e Legislativa

Quanto mais simples, melhor.

PORTUGAL - Ministry of Presidency - Office of the Secretary of State for
Administrative Modernization
October 2010

Egypt

Simplification Strategies *via* EG

"ICT use and Value"

28th Oct, 2010
Paris, FRANCE

Counsellor **Alaa KOTB**
Legal advisor for **Minister of State for Administrative
Development**
Arab Republic of Egypt

Egypt Eg

- Population +80M
- Fixed Phone lines penetration 13.42%
- Mobile phone Penetration 76%
- Number of Internet users 23%
- Number of Gov. employees 6 M
- Credit Card holders 2 M





Arab Republic of Egypt
Ministry of State for
Administrative Development

Overview

- Egyptian Reform Agenda
- Egyptian e-Government Program
- Cooperation with OECD

GOOD GOVERNANCE
FOR DEVELOPMENT
IN ARAB COUNTRIES
INITIATIVE



Arab Republic of Egypt
Ministry of State for
Administrative Development

The Egyptian Reform Vision

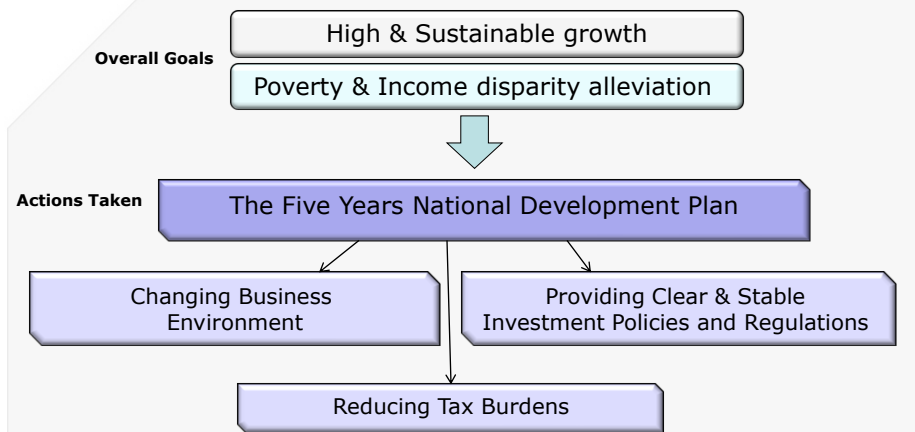
Economic Reform to Support Social Agenda

GOOD GOVERNANCE
FOR DEVELOPMENT
IN ARAB COUNTRIES
INITIATIVE



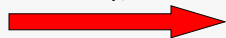
AD – OECD – Paris
13/3/08 -4/19

Egyptian Economic Reform



e-Government?

- too costly, too inefficient, too ineffective



Improving Government processes:

- Cutting process cost
- Managing process performance (Planning, monitoring, controlling)

- too self-serving, too inconvenient



Connecting Citizens:

- Improving Public Services
- Talking to Citizens
- Listening to Citizens

- too insular



Building External Interactions:

- Improving interaction with business
- Developing communities
- Building partnerships





Role of ICT in the simplification process

ICT is just a tool...It is not a objective in its own

It helps:

- Improving Efficiency
- Improving Service Delivery
- Enabling sharing information
- Enabling highlighting internal inconsistencies
- Reducing corruption
- Improving transparency
- Building trust between government and citizens
- Encouraging citizens to interact and think constructively about public issues



Our Vision

"Efficient effective agile public service capable of adjusting to change, managing resources wisely, providing distinguished services to citizens and continuously interacting with them"

=

Simplified and dynamic

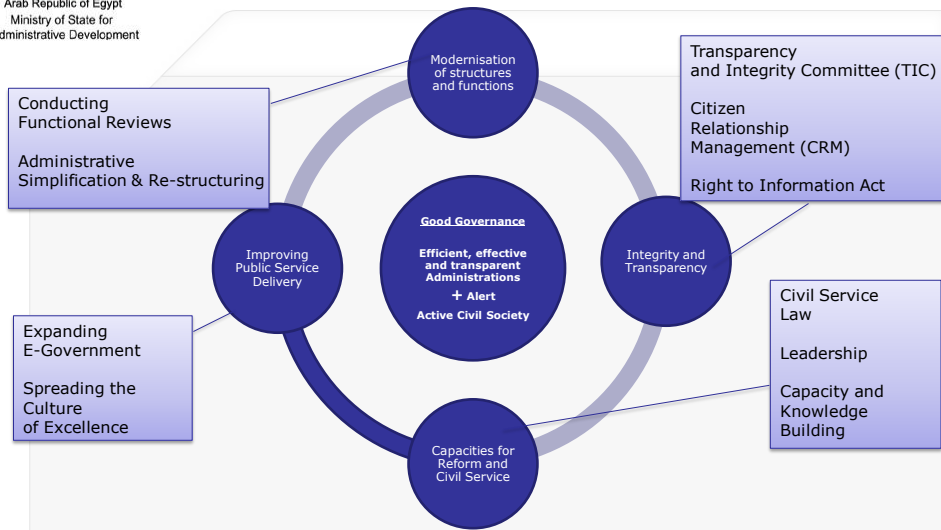


And

Is to enhance the efficiency and effectiveness of the state's administrative body through a number of projects. This is achieved through enhancing the work methods within the various governmental institutions and to ensure that they serve governmental goals and policies. The program works on the restructuring of the government institution's organizational framework, which lead to a number of developments, such as rapid decisions making, decentralization, transfer of authority and capabilities, activating the evaluation, auditing and accounting mechanisms, the development of the legislative system that controls the performance of the state's administrative body. The program also seeks to create a new generation of governmental leaders who are knowledgeable of the concept of public service, and are ready to lead the state's administrative body.



Our mission



Egypt e-Government Phases

- **Phase 1 – 01/07/2001 - 30/06/2007**
 - Set and approve the e-Government strategical plan
 - Implement and assess pilot projects
 - Start geographical & sectorial deployment of some projects

- **Phase 2 – 01/07/2007 - 30/06/2012**
 - Expand on national level
 - Development of government administrative body



Egypt e-Government Objectives/Challenges

Objectives	Challenges	Programs
<p>Readiness (local & International)</p>	<p>Legal & Regulatory:</p> <ul style="list-style-type: none"> • Remote authentication mechanism • Security and privacy issues <p>Technical:</p> <ul style="list-style-type: none"> • Lack of unified standards • Multiple Service Providers • Isolated communication islands <p>Cultural & economical:</p> <ul style="list-style-type: none"> • Fear of electronic payment • Low penetration of credit cards • No payment tools for simple citizens 	<p>Basic Infrastructure Program</p>
<p>Distinguished services</p>	<ul style="list-style-type: none"> • Reputation of quality of services • Inconvenience of delivery mechanisms • Overlap among services providers • Computer illiteracy/low internet penetration 	<p>Government Service Development</p>



Egypt e-Government Objectives/Challenges

Objectives	Challenges	Programs
<p>Increasing efficiency & reducing expenditure</p>	<ul style="list-style-type: none"> •Reluctance and mistrust of automation. •Inflexibility to modify workflows •Multiple auditing bodies •Overlapping authority among government bodies •Adopting new philosophies and practices of modern management 	<p>Back Office Automation (Enterprise Resource planning)</p>
<p>Accurate Updated Information for Decision Makers and Investors</p>	<ul style="list-style-type: none"> •Reluctance of information sharing among government bodies •Security and privacy issues •Ownership and copyrights issues •Lack of unified data dictionary & definitions 	<p>Integrated National Databases</p>



Egypt e-Government Programs

- Government Services Development
- Enterprise Resource Planning
- Establishing and Linking National Databases



Government objectives

Objectives

- Provide distinguished services for citizens, businessmen and investors:
 - Wherever they are
 - At their convenience
 - Efficiently and Accurately
 - At the appropriate time
- Provide a convenient working environment for both employees and citizens
- Promote transparency through separation between citizen and service provider
- Enhance monitoring and follow-up procedures



Service Delivery Channels

- **Internet**
 - Egyptian Government Portal (BAWABA)
 - Investment Portal
 - Business Portal
 - Education Portal
 - Governorates Portals
- **Phones**
 - Landline Phones (Call centers and CRM's)
 - Mobile Phones
- **Service Providers**
 - Service Bureaus
 - Individuals
- **Window**
 - One Stop Shop



Internet

- The Egyptian e-Government Portal www.egypt.gov.eg
Number of Visitors: One million/Month

- ★ **Integrated services**

Target	200 services
Current	120 services

 - Birth certificates issuance
 - National ID card replacement
 - University enrolment
 - Vehicles licenses renewal
 - Vehicles Traffic fines query & payment
 - Bill query and payment
 - Bus, train & opera house e-booking
 - Courts services (Appeals & Cassation)
- ★ **Service Procedure Enquiry** Current 600 forms
- ★ **Information Services**
 - Constitution & Laws
 - University Enrolment Rules
 - Directories for ministries, governorates & government web sites



Applications

Internet Services

- Investment Portal www.investment.gov.eg
 - ★ Information provided in four languages:
 - ★ For investors (asset management, financial services, etc.)
 - ★ Investment opportunities (150 +)
 - ★ Total number of visitors during 2009: 10 million

- Business Portal www.business.gov.eg

Entities	No.	Documents	No.
Ministries	30	Documented licenses' Procedures	30
Government Entities	230		
Central Departments	165	Promotions	31
Governorates	26	Educational & Instructive articles	96
NGOs	213		
Areas eligible for investment	115	Indexed Published Laws	29
Sectors where investment opportunities have been covered	22		



Applications

Landline Phone Services/Service Providers

- Government Call Center 19468 – 19GOV
 - ★ 33 entities
 - ★ Enquiries/suggestions/complaints
 - ★ 924.091 incoming calls in 2008
- Service Providers (on behalf of the citizen)
 - ★ 500 public service kiosks (outsourced)
 - ★ 200 post offices
 - ★ 150 youth (individuals)
 - ★ Professional assemblies (chambers of commerce, judges' club ..etc)
 - ★ 120 kiosks Private Sector (**P**ublic **P**riate **P**artnership)



Applications

Mobile Phone Services

- ★ Current 5 Services
 - ★ Target All Internet Services
- Motor Vehicles Licenses Renewal
 - Motor Vehicles Traffic Fines Settlement

Payment Model Cash-on-Delivery



Applications

Window Services – One Stop Shop

- Municipality (Local Government) Services
 - ★ Inaugurated–One Stop Shop 60 Citizen Service Centers
 - ★ Under development 64 Citizen Service Centers
 - ★ Target 305 Citizen Service Centers
- Courts
 - ★ Developed 23 courts
 - ★ Target 28 preliminary+5 family+8 appeals+1 Cassation
- Departments of Motor vehicles
 - ★ Service availed 19 units (Internet)
 - ★ Target 139 units (One Stop shop & Internet)
- Commercial Registration
 - ★ Automated 66 offices + 14 chambers of commerce
+ 4 investment authorities
 - ★ Target 66 offices + 26 chambers of commerce



Enterprise Resources Planning

Objectives

- Increasing Accuracy & Efficiency
- Reducing Expenditure

Application	Deployed No. of Entities	Targeted No. of Entities
e-Archiving and Document Exchange	50	147
Financial Units	730	1,600
Purchasing	25	630
Personnel & Payroll	32	630
E-Inventory-Exchange between different gov. bodies to reduce stagnant stock	113 (1083 warehouse)	630 (100,000 warehouse)
Egyptian Products Online Catalog	140 companies (2000 Prod.)	All Egyptian companies
Medical e-Archiving	2	All university hospitals
Government Buildings	DB developed	All Government Entities
Government Employees and Payroll D.B.	DB under development	All Government Employees)



Enterprise Resources Planning

▪ **Government e-Procurement Portal**

(Launched: January 2010)

➤ **Objectives**

- ★ Promote transparency in government procurement process
- ★ Provide Central registration of suppliers
- ★ Optimize the procurement cycle through all government entities
- ★ Reduce procurement costs while increasing ROI
- ★ Optimize inventory levels through the adoption of efficient procurement practices
- ★ Improve the ability to audit the public procurement expenditures



Establishing & Linking National Data Bases

Objectives

- Providing accurate & updated information to support the decision making process and serve investors

Social Outcome

- Family Data Base
- Linking Education DB and National ID DB to reduce drop out from school at earlier stages

Economical Outcome

- Real-Estate Registration
- Unified Economical Establishments Records



Establishing & Linking National Data Bases

Database	Completed	Targeted
Family Database: <ul style="list-style-type: none"> • Data Registration • Issue Smart card for: <ul style="list-style-type: none"> - Food subsidy - Insurance pension -Health Insurance 	11.2 million family 12 million cards two pilot locations One governorate	17 million families 12 million cards 29 governorates 29 governorates
Linking National ID DB with Education DB	Matching 9.5 million for those Born 1994	16 million
Linking Health offices with National ID D.B. (Births and Deaths Registration)	560 offices (currently deploying)	5000 offices
Economic Establishments (Commercial & Industrial Registry) <ul style="list-style-type: none"> • Automation • Data registration 	66 offices 2.2 M record	66 offices 2.7 M record
Real-Estate Registration	1.250.000 units (under development)	28 millions units



Organizational Development Program

Study existing organizations in terms of:

- Roles and responsibilities
- Laws and regulations
- Organizational structures
Move from Static hierarchical structures to dynamic structures (teams and projects).
- Cycles and processes
- HR Development & Capacity Building



Examples

- Availability of cash on delivery service via Egypt's government services portal to obtain a number of services such as:
 - National ID extract
 - marriage document extract
 - Divorce document extract
 - Birth Certificate extract
 - Death document extract
 - Family record extract
 - Booking trains tickets
 - Bus reservation service



Thank you ...



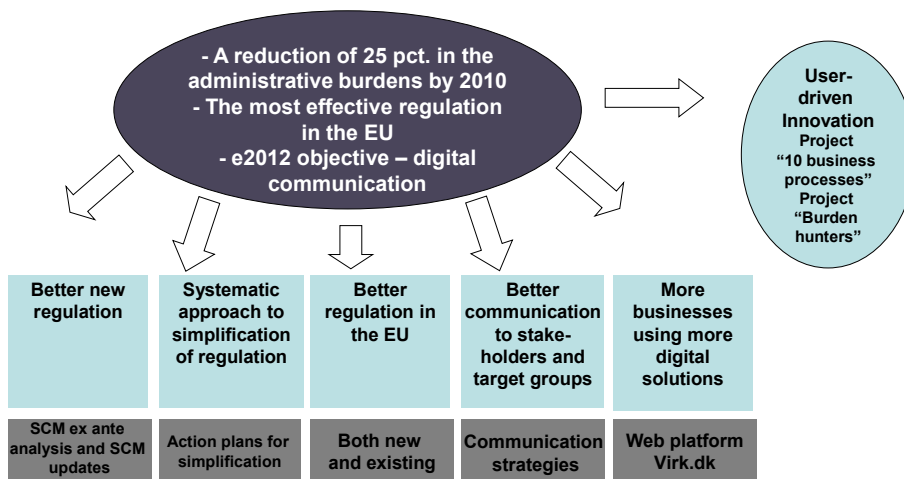


A4: Simplification strategies through e-government

Eva Meiling, Deputy Director General
Danish Commerce and Companies Agency



Danish strategy for reducing the administrative burdens



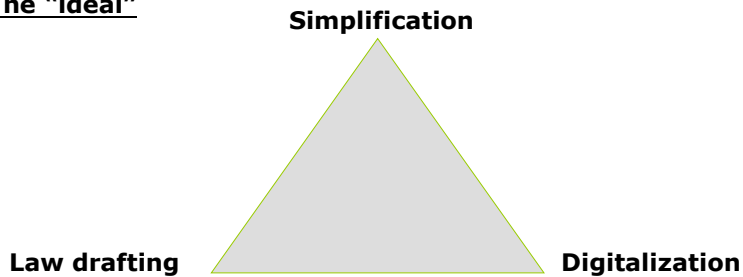


Challenge for maximizing synergies

The "reality"



The "ideal"

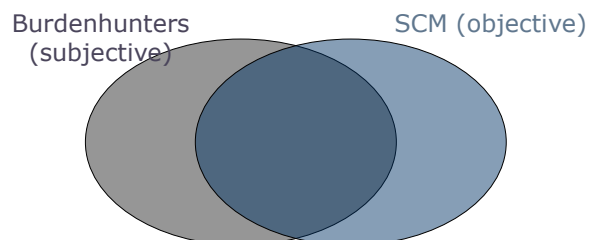


3



Burden hunter approach

- The law from a user point-of-view



4



User centred approach

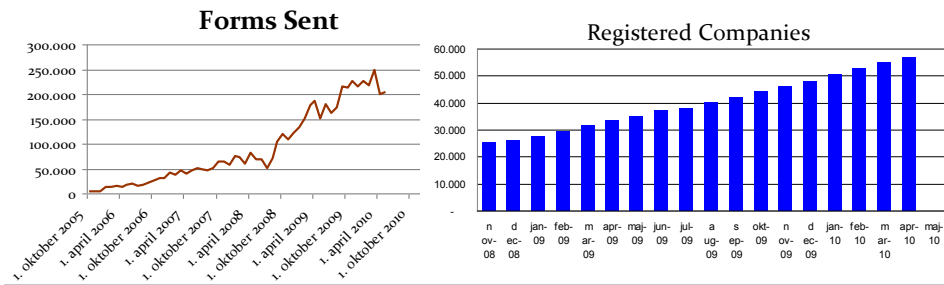
1. Collection of existing knowledge about business irritations
2. Preparation and selection of businesses
3. Visits in businesses
 - Studies of business processes (Flows)
4. Data analysis experts
5. Selection of Flows (LEAN studies)
6. Development of solutions/initiatives
7. Political process

5



Virk.dk by August 2010

- 160.000 unique users of the portal
- 1.300.000 forms sent via Virk.dk in the first 6 months of 2010 (the total for 2009 was approx. 2.200.000) The total amount of yearly filings across all channels are 10.000.000
- 72.000 active companies (out of approx. 400-500.000 active companies)
- 1.300 forms on Virk.dk of which 90 pct. can be sent fully digitally via Virk.dk



6



Simplification strategies for Luxembourg

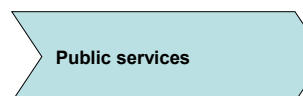
Pierre Schilling, Deputy Director

Centre des technologies de l'information de l'Etat, Luxembourg

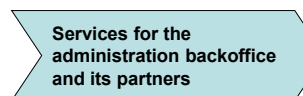


e-Government strategy

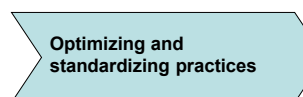
3 strategic axes



- Web portal landscape
- One-stop-shop
- Multi-channel support centre
- Patient-centered eHealth programme



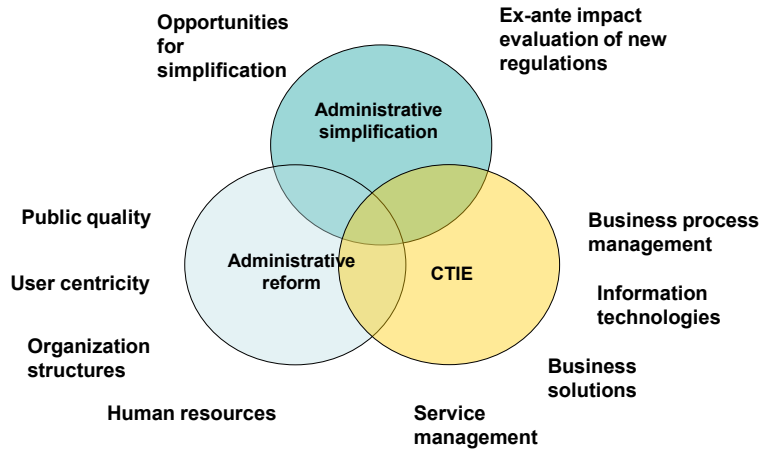
- Business process reengineering
- Framework for e-delivery services
- Centralized e-document management
- Interoperability (on national and international level)
- Provision of reliable high performance infrastructures



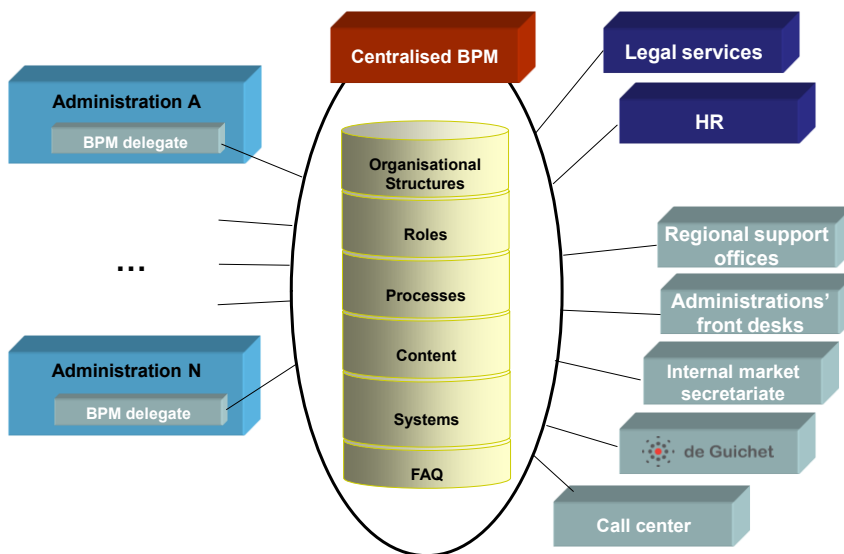
- Standards
- Methodologies
- Governance



e-Government – an interdisciplinary challenge

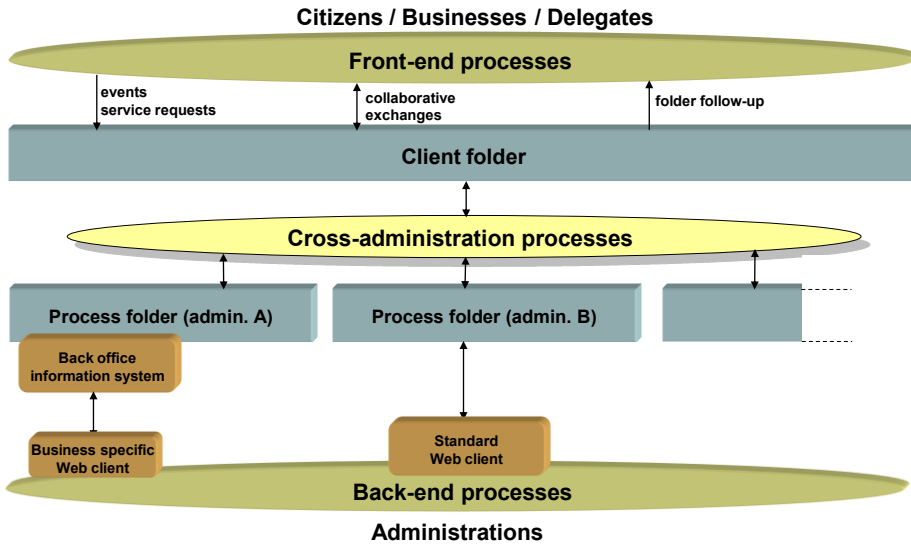


Multi-channel support center





de Guichet - End-to-end service integration

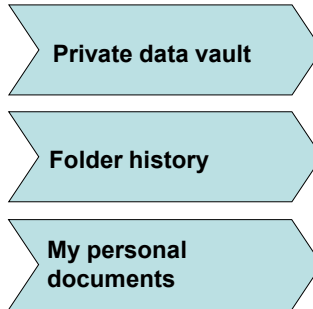


de Guichet - Homepage

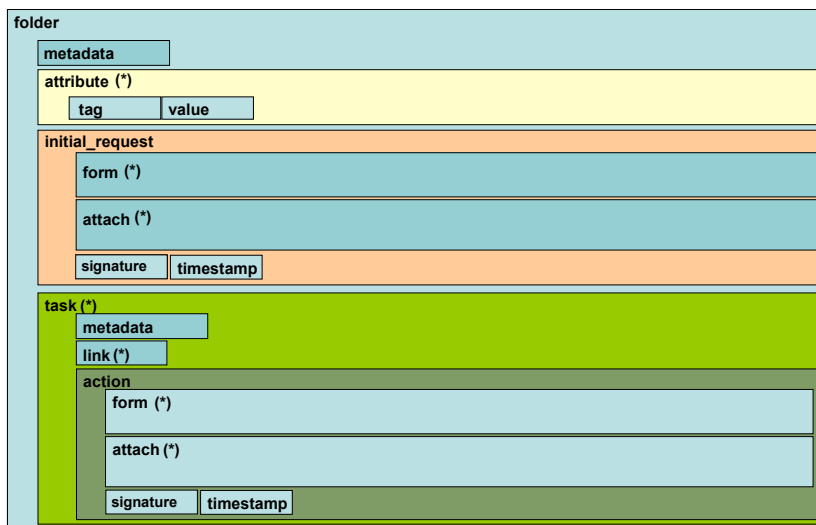




de Guichet - Personal workspace

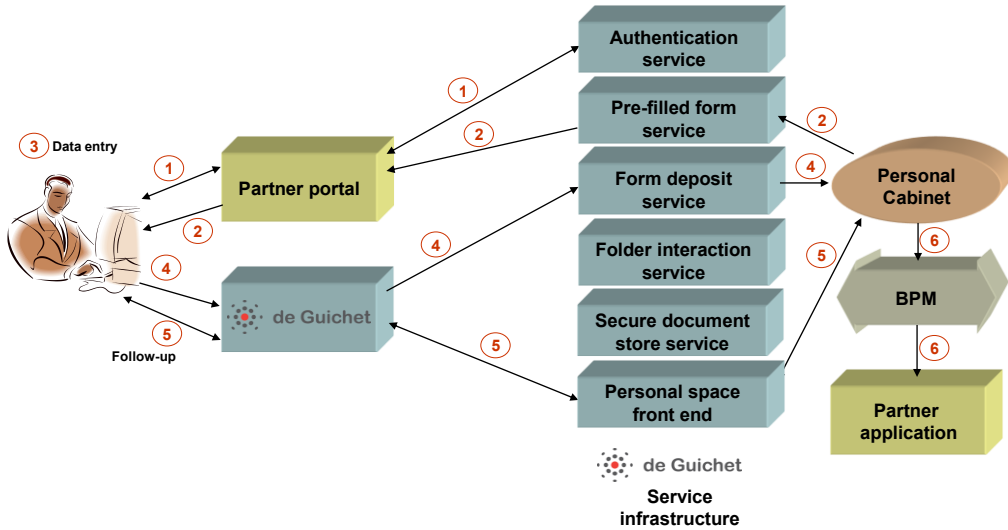


de Guichet - Standard folder structure





de Guichet - an infrastructure shared with partners



e-Documents as an e-Service enabler

