

Study on eGovernment and the reduction of Administrative Burden

The potential impact of the once only principle and the digital by default at EU28 level

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OUR DATA , for economic development*

Introduction

- ▶ Doing business: costs of regulation
- ▶ Once only principle and digital by default
 - ▶ Three “champion” countries
 - ▶ Costs for Public Administrations and Users
 - ▶ Benefits for Public Administrations and Users
 - ▶ The potential impact at EU level

Doing business

Costs of Regulation

Regulations affect firms throughout their life cycle



- ▶ Regulation is a reality from the beginning of a firm's life to the end
- ▶ Navigating it can be complex and costly
- ▶ On average around the world, starting a business takes 7 procedures, 25 days and costs 32% of income per capita in fees
- ▶ Preparing, filing and paying the firm's annual taxes could take up to 268 hours

Source: *Doing Business 2014, World Bank*

Doing business

Costs of Regulation

- ▶ **Administrative burdens** are the costs to businesses and citizens of complying with the information obligations resulting from imposed legislation and regulation
- ▶ **Administrative Burden Reduction** can be attained through
 - ▶ the smart use of the information that citizens and businesses have to provide to public authorities
 - ▶ making electronic procedures the dominant channel for delivering eGovernment services
 - ▶ the integration of eGovernment tools
- ▶ A possible solution would be
 - ▶ To ensure that citizens and businesses supply certain standard information only once and public administration offices take action to internally share this data (**once only principle**)
 - ▶ To produce default digital services that are so compelling and easy to use that all those who can use them will choose to do so whilst those who can't are not excluded (**digital by default**)

Once Only principle and digital by default

Three “champion” countries

- ▶ The European Commission has foreseen the conduction of a “*Study on eGovernment and the Reduction of Administrative Burden*” that had a twofold objective:
 - ▶ provide projections of costs and benefits of the extending the once-only principle and the digital by default throughout the EU
 - ▶ help Member States on how to make electronic procedures the dominant channel for delivering eGovernment services
- ▶ Three so-called “champion” countries (DK, UK and NL) were selected for an in-depth Cost-Benefit Analysis
- ▶ Using results from Cost Benefit Analysis, it was possible to evaluate the potential impact (at EU28 level) of the following initiatives

Once Only Principle Initiatives	Digital by default programs
<ul style="list-style-type: none">✓ Good basic data for everyone (DK)✓ The system of base registries (NL)✓ Tell us once (UK)	<ul style="list-style-type: none">✓ Mandatory digital self-services (DK)✓ Digital Government Strategy (UK)

Once Only principle and digital by default

Three “champion” countries



Denmark

- **Basic data programme:** Making basic information (of citizens, businesses) freely accessible for everyone and for all public authorities (i.e. for commercial as well as non-commercial purposes), by means of 9 connected registers.
- **Mandatory digital self-service:** Enforcing by law the digital implementation of a certain number of transactions.



Netherlands

- **The System of 13 base registries** Collection and sharing of citizens and businesses core data across all government authorities, through 13 registers gathering data of: persons; businesses; cars; land-administrations; maps; income; buildings.

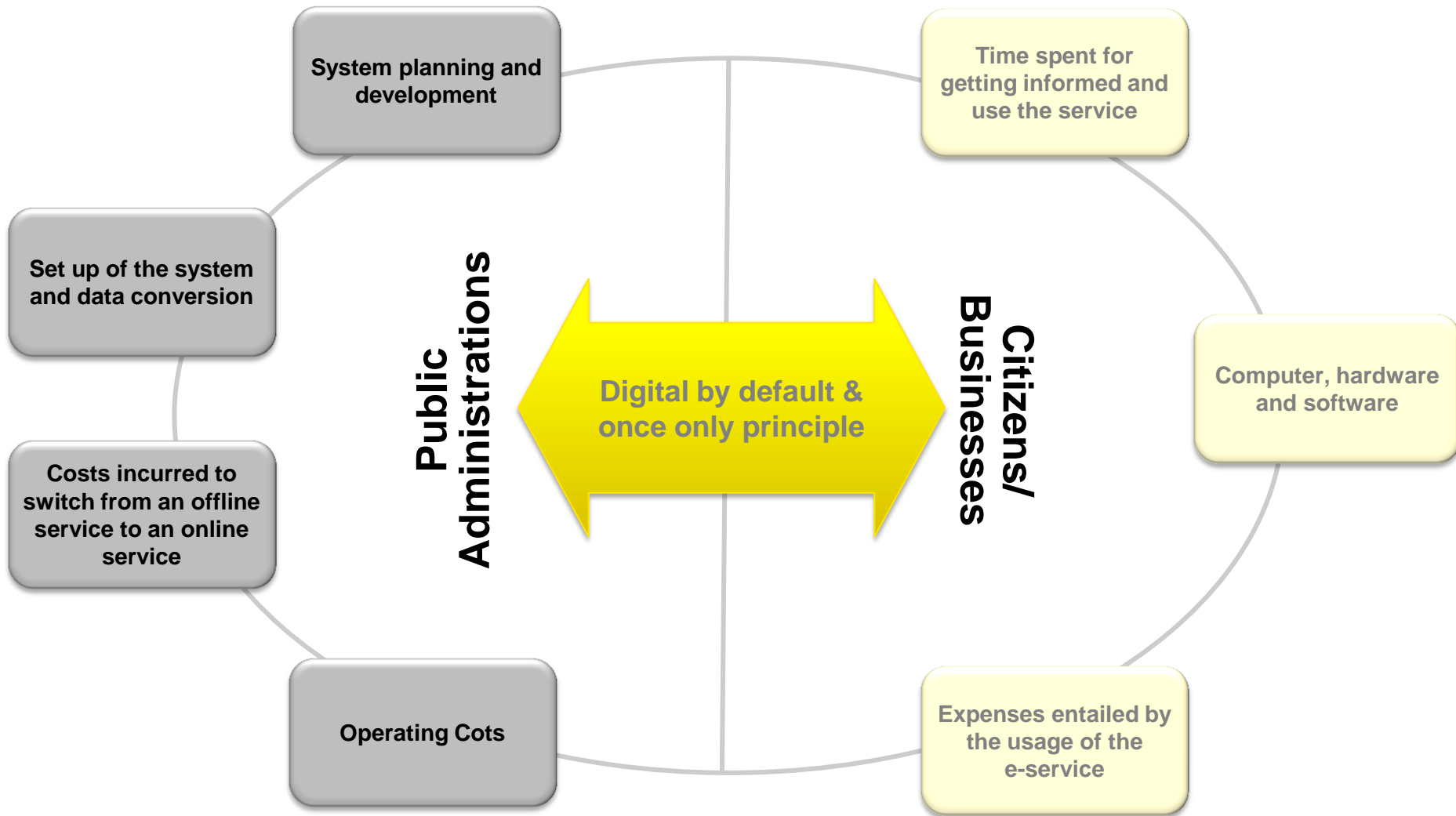


United Kingdom

- **Tell Us Once:** Information sharing on births and deaths across government departments, so that citizens are required to provide this information only once to public authorities.
- **The Digital Government Strategy:** Overall programme of change impacting multiple departments across the Civil Service to realise efficiencies through the adoption of digital procedures by default.

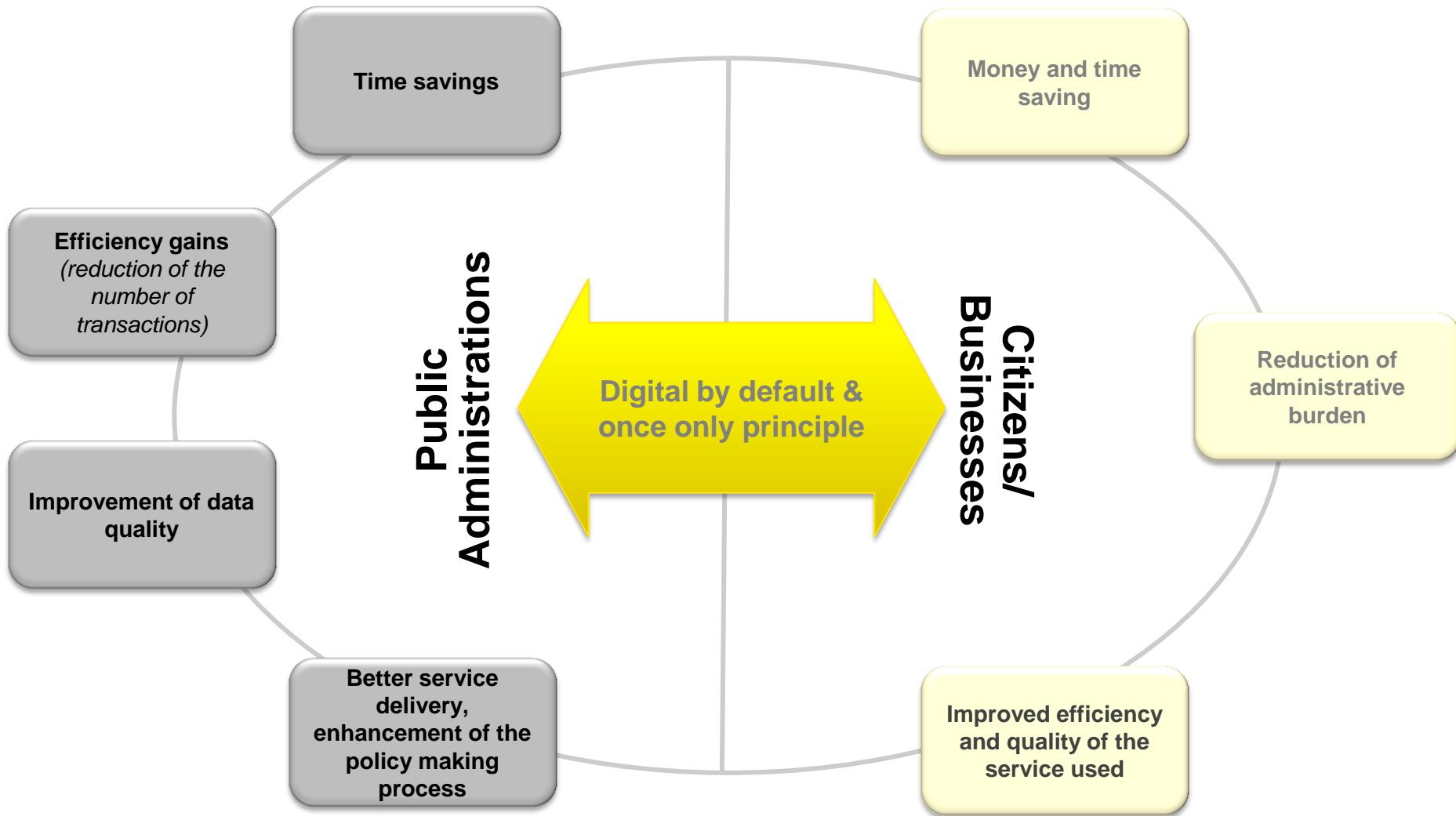
Once Only principle and digital by default

Costs for Public Administrations and Users



Once Only principle and digital by default

Benefits for Public Administrations and Users



Once Only principle and digital by default

Potential impact at EU28 level

- ▶ Projection results rely on two main hypotheses:
 - ▶ all countries start from the same level of development in the implementation of each programme. Countries having an enhanced level of eGovernment are nonetheless expected to experience reduced costs and hence higher net benefits;
 - ▶ all countries are expected to adopt the same planning/implementation strategy used by the three “best practices”.
- ▶ Three variables were used to rescale the CBA results:
 - the population as a proxy for the size of countries ([Eurostat, 2013](#))
 - the UN E-Government Development Index as a proxy of the level of progress in the adoption of e-technologies ([UN, 2012](#))
 - the average cost per hour of Public Official as a proxy of staff costs ([Cross Border Service Study, 2012](#)) and potential number of transactions
- ▶ The three variables considered were normalized with respect to the level observed in the “best practice” countries to rescale potential costs and benefits for their respective programmes

Once Only principle and digital by default

Potential impact at EU28 level

- ▶ Overall, the **Once Only Principle is expected to generate a positive economic impact at EU level**
 - ▶ For instance, the extension of the Danish Basic Data Programme across the EU would generate a total net impact of around € 5 bln by 2017
- ▶ However, the impact also depends on the modalities of the implementation process, especially from:
 - ▶ the possibility for users to transmit different types of data to public administrations only once
 - ▶ the use of ICT for:
 - ▶ the transmission of data
 - ▶ data sharing among public administrations,

If the “once only” principle is implemented within a well-structured strategy or within a comprehensive system for the delivery of public services, it is likely to produce a highly positive impact!

Once Only principle and digital by default

Potential impact at EU28 level

- ▶ The **digital-by-default** would have a positive impact across the EU as well
 - ▶ For instance, the UK Digital Government Strategy is supposed to have a potential impact of € 10 billion of annual savings at EU level
 - ▶ The Danish approach is expected to produce a net potential annual saving for government for around € 6.5 billion at EU28
- ▶ However, the benefits gained from both government and users depend on two factors:
 - ▶ The approach adopted to make digital transactions mandatory
 - ▶ the number of digitized transactions

A swift implementation of mandatory digital transactions and the digitisation of a substantial number of transactions is likely to result in a high positive impact!

Thank you for your attention!!

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The study is available at the following URL:

http://ec.europa.eu/information_society/newsroom/cf/dae/document.cfm?doc_id=5155

Example of projections

Potential Impact of the Basic Data Programme (€ mln)

	Country	Ministries	Municipalities	Regions	Public sector impact	Private sector impact	Total impact
EU COUNTRIES	Denmark	0,4	22,13	5,77	28,29	67,05	95,34
	United Kingdom	4,29	235,72	61,43	301,43	714,29	1015,72
	Belgium	0,53	29,29	7,63	37,46	88,77	126,23
	Bulgaria	0,02	1,05	0,27	1,34	3,17	4,51
	Czech Republic	0,09	5,09	1,33	6,51	15,43	21,94
	Germany	4,22	231,93	60,44	296,6	702,83	999,43
	Estonia	0,01	0,7	0,18	0,89	2,12	3,01
	Ireland	0,21	11,6	3,02	14,84	35,16	49,99
	Greece	0,28	15,2	3,96	19,44	46,08	65,52
	Spain	1,42	78,31	20,41	100,15	237,31	337,46
	France	3,64	200,11	52,15	255,9	606,39	862,29
	Croatia	0,07	4,12	1,07	5,27	12,48	17,74
	Italy	2,8	154,26	40,2	197,27	467,45	664,72
	Cyprus	0,02	1,07	0,28	1,37	3,24	4,61
	Latvia	0,01	0,73	0,19	0,93	2,2	3,13
	Lithuania	0,02	1,23	0,32	1,57	3,72	5,29
	Luxembourg	0,03	1,59	0,41	2,04	4,83	6,86
	Hungary	0,1	5,75	1,5	7,35	17,41	24,76
	Malta	0,01	0,39	0,1	0,5	1,18	1,68
	Netherlands	0,89	49,18	12,82	62,89	149,02	211,9
	Austria	0,4	22,13	5,77	28,31	67,08	95,38
	Poland	0,38	20,78	5,42	26,58	62,98	89,55
	Portugal	0,21	11,36	2,96	14,53	34,44	48,97
	Romania	0,14	7,83	2,04	10,02	23,74	33,75
	Slovenia	0,04	2,12	0,55	2,71	6,43	9,14
	Slovakia	0,03	1,76	0,46	2,25	5,33	7,58
	Finland	0,28	15,53	4,05	19,86	47,07	66,93
	Sweden	0,56	30,81	8,03	39,4	93,36	132,75
EU 28	21,1	1161,77	302,76	1485,7	3520,56	5006,18	
Associated Countries	Iceland	0,02	1,02	0,27	1,31	3,1	4,41
	Liechtenstein	0,01	0,4	0,1	0,51	1,21	1,72
	Montenegro	0,01	0,35	0,09	0,44	1,05	1,49
	Norway	0,75	41,23	10,74	52,72	124,93	177,64
	Serbia	0,04	2,44	0,64	3,12	7,39	10,52
	Turkey	0,67	36,75	9,58	46,99	111,35	158,34
	Associated Countries	1,5	82,19	21,42	105,09	249,03	354,12
Total EU 28 + Associated Countries		22,6	1243,96	324,18	1590,79	3769,59	5360,3