Study on stakeholder requirements for pan-European eGovernment Services

Final report

Ranking and description of PEGS

Version 1.3
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1 MANAGEMENT SUMMARY

The study on stakeholder requirements for pan-European eGovernment services (PEGS) is a preparatory phase in the IDABC Programme. The aim of the study is to establish two rankable lists of necessary and beneficial PEGS, one for ‘mobile’ citizens and one for businesses, which could be implemented under the Programme. The Decision of the European Parliament and the Council 2004/387/EC, establishing the IDABC Programme, states that comprehensive stakeholder consultations should be undertaken. This study is launched to determine the needs of citizens and businesses for pan-European services. In the spirit of the Council decision the Commission opted for using a bottom-up approach in this study.

The study consisted of 4 phases: a definition phase, a phase to identify the possible PEGS, a phase to establish the PEGS dimensions and a final phase to rank and describe the necessary and beneficial PEGS. The lists of PEGS were ranked taking into account the following 5 criteria:

1. Demand (based on the results of phase 2 of the study)
   Gives an indication of the need for the implementation of a PEGS of the target groups ‘mobile’ citizens and companies involved in cross-border activities.

2. Potential user benefits (based on the results of phase 2 of the study)
   Gives an indication of the time and costs saved per target group by the introduction of a PEGS

3. Efforts needed (based on the results of phase 3 of the study)
   Indicates the efforts for public administrations needed to implement a service at the desired level of service provision.

4. Feasibility (based on the results of phase 3 of the study)
   Gives insight in the feasibility of the implementation of a PEGS taking into account restricting factors and obstacles that public administrations need to overcome in order to be able to implement a certain PEGS.

5. Political priorities (determined in phase 4 of the study)
   Presents the existence of a legal basis for the implementation of a PEGS thereby giving an indication whether Member States can politically prioritise the implementation of a PEGS on a European level

The services are prioritised on a 0% to 100% scale taking into account the criteria: demand and user benefits. In Table 1 the results of this study of the prioritisation are summarised. The first half of the table shows the required and beneficial PEGS for citizens, the second half of the table shows the PEGS for businesses.
<table>
<thead>
<tr>
<th>Services for citizens</th>
<th>Score</th>
<th>Level of service provision</th>
<th>Level of organisation</th>
<th>Legal basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions</td>
<td>62%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax declarations &amp; refunding</td>
<td>59%</td>
<td>Full-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Residence Permits</td>
<td>58%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Public health insurances</td>
<td>56%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Passports</td>
<td>56%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>No</td>
</tr>
<tr>
<td>Work Permits</td>
<td>52%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Driving License</td>
<td>52%</td>
<td>Full-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Car Registration</td>
<td>46%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>No</td>
</tr>
<tr>
<td>Job Search</td>
<td>41%</td>
<td>Full-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Recognition of qualification</td>
<td>38%</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Birth certificates</td>
<td>36%</td>
<td>Full-transactional</td>
<td>Bilateral</td>
<td>No</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td>33%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Enrolment at college/university</td>
<td>31%</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Study grants</td>
<td>31%</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Marriage Certificates</td>
<td>25%</td>
<td>Full-transactional</td>
<td>Bilateral</td>
<td>No</td>
</tr>
<tr>
<td>Child allowances</td>
<td>21%</td>
<td>Full-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services for businesses</th>
<th>Score</th>
<th>Level of service provision</th>
<th>Level of organisation</th>
<th>Legal basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAT Refund</td>
<td>63%</td>
<td>Full-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Declaration of excise goods</td>
<td>60%</td>
<td>Full-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Registration of a new company</td>
<td>58%</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Registration of patents, trademarks, designs</td>
<td>35%</td>
<td>Semi-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Public procurement</td>
<td>11%</td>
<td>Semi-transactional</td>
<td>National</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumer protection, labelling and packaging</td>
<td>-</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Supply of statistical data</td>
<td>-</td>
<td>Full-transactional</td>
<td>European</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax incentives</td>
<td>-</td>
<td>Informational</td>
<td>European</td>
<td>Yes</td>
</tr>
</tbody>
</table>

1 The service must be delivered automatically
2 APPROACH

The study on stakeholder requirements for pan-European eGovernment services (PEGS) is an action in preparation of the IDABC Programme. The aim of the study was to establish two rankable lists of necessary and beneficial PEGS, one for ‘mobile’ citizens and one for businesses, which can be implemented under the Programme. The Decision of the European Parliament and the Council 2004/387/EC, establishing the IDABC Programme, states that comprehensive stakeholder consultations should be undertaken. This study was launched to determine the needs of citizens and businesses for pan-European services. In the spirit of the Council decision the Commission opted for a bottom-up approach in this study.

The study consisted of 4 phases: a definition phase, a phase to identify the possible PEGS, a phase to establish the PEGS dimensions and a final phase to rank, prioritise and describe the necessary and beneficial PEGS.

The project phases were:

![Figure 1: Methodology Framework](image)

During the first phase of the study, the pan-European eGovernment services have been clearly defined, the methodology of the study was developed, the stakeholder groups were identified and a preliminary list of possible PEGS has been drafted. After endorsement, this methodology framework has been used as the guideline for further steps in the project.

As illustrated above, the second phase of the study aimed at identifying the needs for PEGS of two specific target groups, the ‘mobile’ citizens on the one hand and the companies involved in cross-border activities on the other hand. These needs had been established by means of a bottom-up approach, articulated around qualitative and quantitative research activities. ‘Mobile’ citizens and (representatives of) businesses
involved in cross-border activities in 6 European countries (Spain, Czech Republic, Belgium, United Kingdom, Denmark and the Netherlands) were interviewed, in total 74 interviews in the period mid July – mid September 2004. Five focus groups in which ‘mobile’ citizens participated were organised in Czech Republic, United Kingdom, Belgium and Denmark. The interviews and focus groups with ‘mobile’ citizens have been built around a storyboard, which followed the life cycle of a ‘mobile’ citizen. For each event identified within the life cycle, possible interactions with the local and European administration were highlighted.

The information gathered during the interviews has been used as a basis for the development of two web-based questionnaires, which have been made available online from mid September until the end of December 2004, targeting ‘mobile’ citizens and companies from all 30 countries in scope of this study, i.e. the 25 EU Member States, Bulgaria, Iceland, Norway, Romania and Turkey.

Both target groups, ‘mobile’ citizens and businesses, were invited to participate in the web survey. ‘Mobile’ citizens were contacted through a number of selected intermediaries, i.e. European institutions or organisations that are closely related to the ‘mobile’ citizens such as (profit and non-profit) companies working with expatriates, associations of expatriates, universities and colleges. These organisations were also asked to fill in the business part of the web survey. Other means of contacting businesses were: Chambers of Commerce, European umbrella organisations of profit and non-profit organisations, etc.

In the third phase of the project, national public administrations (including local and regional administrations) were consulted to draw on experiences gathered in supporting both national and other European citizens and businesses in cross-border activities. These consultations aimed at identifying the efforts needed for service suppliers/providers to implement a PEGS and the feasibility of implementation. As in the second phase of the study, the consultation consisted of a qualitative and quantitative phase.

In the last phase of the project, the results of previous phases were analysed and two lists of PEGS were identified. The lists of PEGS were ranked taking into account the following 5 criteria:

1. Demand (based on the results of phase 2 of the study)
2. Potential user benefits (based on the results of phase 2 of the study)
3. Efforts needed (based on the results of phase 3 of the study)
4. Feasibility (based on the results of phase 3 of the study)
5. Political priorities (determined in phase 4 of the study)

Information gathered during the study has been combined to establish two ranked lists of PEGSs to be implemented: one for citizens and one for businesses.

Two prioritised lists of PEGS were established on the basis of the first two criteria: demand and potential user benefits.
PEGS

PEGS have been defined as cross-border public sector services supplied by either national public administrations or EU public administrations, provided to European businesses and citizens by means of interoperable trans-European telematic networks between public administrations. One of the main characteristics of a PEGS is the exchange of information between public administrations in different Member States. In the figure below, an example of a PEGS is shown:

![Diagram of PEGS through interoperable telematic networks](image)

Figure 2: PEGS through interoperable telematic networks

The stakeholders for this study on requirements for pan-European eGovernment services have been defined as (categories of) persons and/or organisations that will benefit from and/or be impacted by the implementation of PEGS.

Within this wide range of people, companies and organisations, target groups have been selected in order to successfully meet the objectives of this study. Those target groups were approached for the study on PEGS:

- **‘Mobile’ citizens**: European citizens who live and/or work and/or are in the last phases of preparing to move or work in another country than their native country.

- Three groups of companies that are considered as companies involved in cross-border activities:
  - Companies which are considering to or already generating sales and/or deliver services in at least one other European country,
  - Companies which are considering to or already have set-up legal entities in two or more European countries,
  - Companies which employ or are considering employing Europeans who are living in another country.
This report

In this report, the services selected to be implemented as PEGS are described (see chapter 3) and ranked according to the criteria: demand, user benefits, efforts, feasibility and political priorities (see chapter 4). The first four criteria are estimated based upon the results of the questionnaires for citizens, businesses and suppliers/providers. The results must be considered in this context and should be seen as an indication of PEGSs to be implemented rather than a foregone conclusion. It should be stressed that before implementing these listed PEGSs in-depth feasibility studies are necessary to identify legal, technical, organisational and other obstacles.
3 PEGS TO BE IMPLEMENTED

In this chapter, a description is given of the necessary and beneficial services which could be implemented as PEGSs. For each of the services is described which sub-services need to be implemented, the scope of the service and which information exchanges need to be realised. For each service a summary table is drafted, including:

- The desired level of online service provision to end-users (citizens, businesses): informational, semi-transactional, full-transactional,
- A short description of the future service provider and supplier, giving insight in the organisation(s) involved in the provision of the PEGS: i.e. the public administrations responsible for the provision of the public service to citizens and businesses and the public administrations responsible for supplying the information and/or data necessary for the service provision. The service can be supplied/provided at a national level, on the basis of bilateral agreements between administrations in multiple countries and on a European level.
- Whether a European legal basis exists for the implementation of a service,
- Whether special efforts are needed in the domain “security and identification management”.

The services mentioned in this chapter are ranked according to five criteria: demand, user benefits, efforts, feasibility and political priorities. The ranking of services can be found in chapter 4.

The PEGS in this chapter are grouped in the following clusters:

- Business development
- Certificates and licences
- Education
- Social security
- Supply of statistics
- Tax for businesses
- Tax for citizens
- Work

The services registration as a voter and recruitment of foreign employees have been discussed in the previous phases of the study but were not retained to be implemented on a pan-European level as they are generally handled by local national administrations and do not require any exchange of information between administrations in different countries.
3.1 BUSINESS DEVELOPMENT

3.1.1 Start-up of a company

The majority of companies in Europe use local partners or service providers (i.e. tax advisors, legal advisors) to start-up a new business in another country. Their need for pan-European services to set-up a business abroad is therefore not very high. This in contrary to the situation of most SME’s: they generally do not dispose of enough resources to help them setting-up a business abroad and therefore need to sort out everything by themselves.

The PEGS to be implemented to serve those businesses is an informational service for setting-up a business abroad (i.e. on financial incentives, registration of a company, subsidies, funding, environmental regulations).

Although in most Member States the online provision of the service to register a new company is good\(^2\), the participants to the study expressed a need for the implementation of a PEGS to help companies to start-up a business abroad. This informational service should help companies to contact the proper national service providers and to use their (already existing) applications to register a new company. This service is preferably available on a European level in multiple languages. The content must be delivered by each participating country.

Apart from information on registering a company, this informational service should also deliver information on national incentives (i.e. tax, import, export or financial incentives), possibilities for funding and subsidies, information on legislation (i.e. labour, environmental regulations) and information on types of legal entities (including the taxation consequences). Ideally, companies can receive a tailored checklist with points of interest, after entering their business intentions in the online service.

Another idea to improve the government to business services (G2B) related to the start-up of a company, is to open up the information available in the different national mercantile registers such as registers of the Chambers of Commerce on a European level. A prerequisite to operate such a service efficiently is to introduce a European unique business identification number.

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\(^2\) Source: ‘Benchmarking of online public service provision in Europe’ 2003. Only the 15 Member States that formed (at that moment in time) the European Union were included in the study.
### 3.1.2 Public procurement

All national public tenders exceeding specific contract values must be published in the Supplement to the Official Journal of the European Union. The contract value thresholds above which an invitation to tender must be published throughout the EU are laid down in EU Directives. They can be consulted through the TED database online ([http://ted.publications.eu.int](http://ted.publications.eu.int)). The TED website is an informational service organised on a European level. A concern is that this site does not provide any links to national or regional e-procurement initiatives.

For public tenders below the threshold for European publication, for example public work contracts below 5,000,000 €, a new semi-transactional PEGS should be developed on a European level giving foreign companies who are interested in subscribing to a public tender, the opportunity to consult the calls for tender and start the application online. Previous phases in this study revealed that foreign companies only submit tenders to a limited set of calls, namely those where they don’t need to know the local language and/or culture. In order to implement this PEGS, national authorities should supply all public tenders from national, regional or local administrations, which are not published in the TED database and which do not require specific knowledge of the national language and/or culture. An application form to start up the tendering procedure – request for tender specification – should be available online.

Since most administrations issuing tenders request the delivery of certain documents (i.e. proof of having fulfilled obligations related to the payment of social security contributions and/or to the payment of taxes, proof of mandate of the person authorised to sign on behalf of the organisation), a semi-transactional cross-border service between the administration issuing the tender and the administration(s) delivering the documents of proof, needs to be established.

The target group for the implementation of this service are companies who would like to extend their business to another European country, by subscribing to smaller public tenders.

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3 Directive 2003/98/EC of 17 November 2003, published in the Official Journal (L345/90) on 31 December 2003. The Directive calls for a change of culture with respect to the re-use of Public Sector Information (PSI), by introducing a minimal EU level playing field for making available PSI for further exploitation under accountable, transparent, non-discriminatory conditions.
<table>
<thead>
<tr>
<th>Service</th>
<th>Subscribing to a public tender (public procurement)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level of online provision</strong></td>
<td>Semi-transactional, allowing companies to start the application for a public tender online and allowing exchange of information between the administration issuing the tender and administrations delivering certain documents requested in the call for tender (i.e. proof of having fulfilled obligations related to the payment of taxes).</td>
</tr>
<tr>
<td><strong>Provider/Supplier</strong></td>
<td>The semi-transactional service should be provided to businesses via either national websites or a European portal, the information on the tenders will be supplied by the national authorities.</td>
</tr>
<tr>
<td><strong>Security/Identification Management</strong></td>
<td>Efforts are needed to secure the online application, requiring unique and legal identification of the tenderer.</td>
</tr>
</tbody>
</table>

### 3.1.3 Registration of patents, trademarks, designs

A lot of initiatives exist in the field of the protection of intellectual property: the European Patent Office, Office of the harmonisation of the internal market, etc. Participants to the study expressed a need for the further elaboration and centralisation of services related to the protection of intellectual property.

A semi-transactional service should be made available which is more user-friendly than the current online services, available in multiple languages and organised at a European level. One of the findings of the current study is that the awareness of businesses concerning the importance of the protection of intellectual property needs to be increased. Also the visibility of the European Patent Office needs to be improved.

If a business has registered a patent at a national patent office, it can be filed with priority at the European Patent Office. This information should be exchanged between the European Patent Office and the national offices.

<table>
<thead>
<tr>
<th>Service</th>
<th>Registration of patents, trademarks, designs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level of online provision</strong></td>
<td>Semi-transactional, allowing electronic intake of the application forms</td>
</tr>
<tr>
<td><strong>Provider/Supplier</strong></td>
<td>This service needs to be provided and organised (by the European Patent Office) on a European Level</td>
</tr>
<tr>
<td><strong>Legal basis</strong></td>
<td>European Patent Convention signed in Munich on 5 October 1973, which established the European Patent Office</td>
</tr>
<tr>
<td></td>
<td>Agreement relating to Community patents (89/695/EEC), 15 December 1989</td>
</tr>
<tr>
<td></td>
<td>Commission Proposal, of 1 August 2000, for a Regulation of the Council on the Community patent [COM(2000) 421 final](^4)</td>
</tr>
<tr>
<td><strong>Security/Identification Management</strong></td>
<td>Efforts are needed to secure the online application, requiring unique and legal identification of the applicant.</td>
</tr>
</tbody>
</table>

---

\(^4\) On 10 April 2002, the Parliament approved the Commission proposal subject to certain amendments. But at present, it seems difficult to reach a final agreement on the dossier.
### 3.1.4 Consumer protection, labelling, packaging

Companies producing goods have to comply with national and European legislation on consumer protection, labelling and packaging. When exporting goods to other European countries, they have to make sure that their goods comply with the local legislation. Therefore the implementation of an informational PEGS on relevant legislation can be of great value for businesses in Europe. Not only non-resident companies but all European companies that export goods, can benefit from this service. The service must be available in multiple languages and accessible from abroad.

The information contents of this PEGS need to be delivered by the participating countries and are preferably consultable via a European portal.

In order to overcome problems due to differences in legislation on consumer protection, labelling and packaging in countries, a harmonisation of legislation is an appropriate (but hardly realistic) means.

<table>
<thead>
<tr>
<th>Service</th>
<th>Delivering information on the legislation, rules and procedures concerning consumer protection, labelling and packaging of products in different European countries.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Informational</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>The information needs to be provided to the businesses on a European level. The content of the information is country-specific and needs to be delivered (and kept up-to-date) by each participating country.</td>
</tr>
<tr>
<td>Legal basis</td>
<td>PSI Directive (see section 3.1.1)</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>No efforts needed, the service should be open for everybody. Information is not sensitive and does not require authentication or identification of the end-user.</td>
</tr>
</tbody>
</table>

### 3.2 CERTIFICATES AND LICENSES

#### 3.2.1 Birth and marriage certificates

The (national) eGovernment service delivered to citizens to obtain a (copy of their) birth certificate, marriage certificate or extract of the register of births or marriages, is a service which can be delivered full-transactional if a proper level of security is applied. The applicant will have to be authorised and must authenticate him- or herself to use the service. If established on a national level in every country, the whole European population will benefit from this online service provision.

A next step in the implementation of a PEGS for birth and marriage certificates can be the exchange of information between administrations in different countries. This could be established if countries would open up their birth and marriage registers to other countries’ administrations. In such a case, the procedure where a citizen needs to retrieve a marriage or birth certificate to obtain another public service (i.e. a residence permit) becomes redundant: the administration providing this public service can then
refer to the relevant register for retrieval of the necessary information. This PEGS will as such be realised as government-to-government full-transactional service.

<table>
<thead>
<tr>
<th>Service</th>
<th>Obtaining (copies of) birth and marriage certificates or extracts from the register of births or marriages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Full-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>The service will be delivered on a national or regional level, the data will be supplied on the basis of bilateral agreements between national authorities.</td>
</tr>
<tr>
<td>Legal basis</td>
<td>No</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>The information exchange between administrations needs to be fully secured. Administrations need to be authorised to access the information and authenticate themselves. Also the information exchange between administrations and citizens needs to be secured. A unique and legal identification of the citizen is required</td>
</tr>
</tbody>
</table>

### 3.2.2 Driving licenses

European citizens holding a driving license (200 million citizens) can renew or replace their license in the country where they live. Since categories and subcategories are harmonised\(^5\) it is possible to exchange foreign European licenses in a national driving license. Since this requires the verification of the driving license, a PEGS (G2G) for exchanging information between national driving licenses registers will be necessary. Even the set-up of a European register for driving licenses can be considered.

A next step in the implementation of this PEGS can be a full-transactional service delivery to citizens. An online renewal or replacement of driving licenses can be processed if the security of this service provision can be guaranteed (by authorisation and authentication of the citizen). An automatic reminder should be send to all citizens (not only ‘mobile’ citizens) holding a driving licence which will expire in the near future.

<table>
<thead>
<tr>
<th>Service</th>
<th>Replacement and renewal of driving licences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Full-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>The service provision to end-users should be at a European level, the exchange of information between the national registers of driving licenses will be based on bilateral agreements between countries.</td>
</tr>
<tr>
<td>Legal basis</td>
<td>Directive 91/439/EEC</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>Efforts are needed to secure a full-transactional information exchange between administrations in different countries. Administrations need to be authorised to access the information. Also the information exchange between administrations and citizens needs to be secured. A unique and legal identification of the citizen is required.</td>
</tr>
</tbody>
</table>

---

\(^5\) By the entry into force of Directive 91/439/EEC on 1 July 1996, the “Community model” driving licence has been adapted to take account of the harmonisation of categories and sub-categories and to facilitate the comprehension of licences within and outside the Community.
3.2.3 Passports, visa

European citizens living in another country than their native country (and not holding the local nationality) expressed a need for the development of a semi-transactional PEGS for passports and visa. The renewal or replacement of their passport and the application for a visa, takes a lot of time for them. It would be of added value if those citizens can apply online for these services, and can receive their passport or visa after a check of the validity of the application by the administrations in their native country. Enabling administrations to check the validity of the application online would save a lot of time.

The above-described service requires a secure exchange of data between national registers. On demand of an embassy or local administration, the applicant’s native country administration will deliver the requested information (government-to-government service). This service can be best implemented on the basis of bilateral agreements between countries or even administrations, allowing to easier take a decision on which information to exchange and which level of security to apply.

All citizens living in Europe requiring passports and visa can benefit from the implementation of this PEGS. It will enable them to online apply for the service (which is not always the case nowadays) and will most likely shorten the processing time.

<table>
<thead>
<tr>
<th>Service</th>
<th>Application and renewal of passports and visa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Semi-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>The service will be provided on a national level, the supplier of the service needs to exchange data with authorities in other countries on the basis of bilateral agreements.</td>
</tr>
<tr>
<td>Legal basis</td>
<td>No</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>The information exchange between administrations needs to be secured. Administrations need to be authorized to access the information. Also the information exchange between administrations and citizens needs to be secured. A unique and legal identification of the citizen is required.</td>
</tr>
</tbody>
</table>

3.2.4 Residence and working permits

It should be noted that regarding working permits, the service provision in Europe is currently limited to people coming from candidate Member States for which transition measurements have been taken. Once the transition period is finished, the service “working permits” is no longer relevant.

In order to ease the process for obtaining a residence or working permit, the following sub services need to be implemented:

1. A semi-transactional service for citizens
2. A government-to-government service to exchange information between administrations in different countries
Before moving to or after arriving in another European country, most citizens need to have information on the procedure to obtain a residence and/or working permit. They need to know the pre-requisites, the steps in the procedure, the administrations involved, timing, etc. This study revealed a large need for informational PEGSs on residence/working conditions in other European countries.

The application for a residence permit or working permit will always involve a physical contact between the applicant and the administration responsible for delivering the permit. But parts of the procedure can be handled by semi-transactional online services, but this should be a national initiative.

Certain steps in the procedure of obtaining a residence or working permit can be accelerated and can save resources in the new living country of a citizen: for example the step in which the citizen needs to be identified by means of an extract of the birth certificate (see section 3.2.1), marriage certificate (see section 3.2.1) or passport (see section 3.2.3).

When administrations in different countries can exchange information, the check of the above-mentioned documents is easier, less time-consuming and makes fraud less likely. The administrations can exchange (on demand) information coming from their national registers of citizens, births, marriages and death. A bilateral agreement between countries or administrations is the most feasible way to implement this PEGS.

<table>
<thead>
<tr>
<th>Service</th>
<th>Obtaining a residence permit and/or working permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Semi-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Provision of the service on a national level, data exchange between national authorities on the basis of bilateral agreements between countries or administrations.</td>
</tr>
<tr>
<td>Security/Identification</td>
<td>Efforts are needed to secure the information exchange between administrations and with citizens. Administrations need to be authorised to access the information and citizens needs to authenticate themselves when using the semi-transactional service. Therefore a unique and legal identification of the citizens is required.</td>
</tr>
</tbody>
</table>

3.2.5 Car registration

Citizens and businesses importing their car from another European country, need to register their car in their (new living) country. They need to hand over a proof of the registration in the country of origin after having declared their car at customs.

The procedure to register a car in a country is by ‘mobile’ citizens experienced as a very costly and time-consuming process. This process will be less time-consuming if PEGS enabling the exchange of information between the national registers of cars in Europe will be established. The service should be developed as a semi-transactional service: citizens should be able to start the procedure online.
Not only ‘mobile’ citizens but all citizens and businesses importing cars from other Member States will benefit from the implementation of this PEGS.

<table>
<thead>
<tr>
<th>Service</th>
<th>Car registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Semi-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Provision of the service on a national level, data exchange between national authorities (national registers of cars).</td>
</tr>
<tr>
<td>Legal basis</td>
<td>No</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>Efforts are needed to secure the information exchange between administrations. Administrations need to be authorised to access the information stored in the national registers of cars.</td>
</tr>
</tbody>
</table>

3.3 EDUCATION

Services related to education of citizens with a pan-European aspect which need to be implemented include:

1. Enrolment in high schools and universities
2. Study grants

Since the online enrolment in primary and secondary schools is a ‘local’ eGovernment service, there’s no need or benefit to implement a PEGS. The online enrolment in universities is mostly available and generally does not require the exchange of information between administrations in different countries.

For that reason, both services are mentioned in the list of PEGS as purely informational services.

<table>
<thead>
<tr>
<th>Service</th>
<th>Delivery of information on education in Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Informational</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Information needs to be provided on a European level, but the information has to be supplied by national organisations (schools, universities).</td>
</tr>
<tr>
<td>Legal basis</td>
<td>PSI Directive (see section 3.1.1)</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>No efforts needed, the service should be open for everybody. Information is not sensitive.</td>
</tr>
</tbody>
</table>
3.3.1 Enrolment in high schools and universities

Most students willing to study in another country than their current living country expressed the need for an informational service. The informational service should give an overview and allow students to search all study opportunities at universities/colleges in Europe. A link to the website of the selected university should direct the user to the place where he/she can enrol him/herself.

This informational service can be combined with the informational service for study grants (see below).

3.3.2 Study grants

The application for study grants in a country is generally open for residents and non-residents. There is a need for an overview of all scholarships and study grants, including application forms, qualification criteria and answers to questions like: Can I still receive a study grant when I’m living abroad? Will the amount of the scholarship be re-indexed depending on the country where I will be studying? Etc. This service can also include information on private scholarships.

The target audience for this service is mainly students (considering) studying abroad, but it can of course be consulted by any student in Europe and be of added value for them.

3.4 SOCIAL SECURITY

The service “social security” comprises all types of services that foresee in a replacement income for citizens facing loss or interruption of income: unemployment benefits, child allowance, pensions. This also includes the public health insurance needed to get rebate of medical expenses, sickness and maternity allowance.

‘Mobile’ citizens interviewed during this study often expressed a feeling of uncertainty when it came to their social security situation. A general feeling of ‘insecurity’ was noticed: most of them felt uncomfortable when thinking about what might happen when getting an accident, losing one’s job or retiring. Other concerns were related to being properly insured for unemployment or disability.

The following sub-services need to be implemented on a pan-European level to facilitate equal ‘social’ treatment of residents and non-residents in a country:

1. Informational service for all European citizens on social security systems
2. Semi-transactional service allowing the exchange of social security information between administrations

Besides the above listed sub-services, social security also comprises services delivered directly to citizens such as medical care, hospitalisation and rehabilitation. A PEGS that could be considered under this heading is the exchange of medical files between different points of care, to support the medical diagnosis and avoid carrying out the
same (expensive) examinations twice. Currently the eEurope programme\(^6\) supports the development of health information networks and online health services on a national level. For ‘mobile’ citizens, it is particularly relevant that these information exchange networks go beyond the borders of one country. However, considering the difficulties to establish national systems, it needs to be said that development of pan-European systems should be reserved for a far future. If the initiatives stated in the eEurope programme will be realised, national health services to citizens including electronic health records will already improve information exchange as the citizen himself can then access his health records in different countries and hand them over to the point of care were he/she is treated.

### 3.4.1 Informational service for social security systems

As already briefly mentioned above, a necessary and beneficial PEGS to be implemented on informational level is a portal on social security systems. This portal should contain information on the social security systems in the different countries, with tailored information for the different situations a person can find oneself in:

- A frontier worker
- A resident of a country (permanent or non-permanent)
- A self-employed worker
- Trainees
- Etc.

The information should cover at least an explanation of the social contributions that are paid and what they are paid for, different types of replacement income a person can qualify for, public health insurance including what they cover and what not. Additionally, also the different relevant E-forms (E-100, E-200, E-300 and E-400-series) should be included and available for download.

The scope of this service can be extended to contain also information on the countries’ and European labour legislation.

The provision of this service needs to be organised on European level with an advanced level of participation of all countries and a dedication to keep information up-to-date. A good start for this service can be the implementation of a portal and to make an inventory of all existing initiatives and combine them to one single source of information. Redundant information should be removed and it should be carefully monitored that confusing and inconsistent information is avoided. Furthermore, special attention needs to be drawn to promoting the portal among its target audience.

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### 3.4.2 Unemployment benefits

To facilitate the application process for unemployment benefits of people that have paid social contributions in another country, exchange of information between the tax administrations (employment and income figures) and the unemployment agencies (unemployment figures and allowances) should be established between different countries. The most feasible way to implement such a government-to-government semi-transactional service is to start exchanging information between countries that are comparable qua size and culture. These countries should exchange information stored in their databases (like social security contributions paid in a certain country, the employment track of a person) through an interoperable network.

The exchange of information should not be limited to information required to apply for unemployment benefits, but should preferably be part of a bigger social security exchange information system, including also specificities about child allowances, pensions and allowances received through the public health insurance system (e.g. maternity allowance, disability allowance). As a first step, this system should allow electronic intake of E-forms of ‘mobile citizens’. On a longer term, E-forms could be abolished as the information included in the forms will then be automatically shared between the responsible administrations using the social security exchange information system. Such initiatives will not only facilitate the application process, but is also a powerful mean to combat fraud.

<table>
<thead>
<tr>
<th>Service</th>
<th>Social security exchange information system (to exchange information on unemployment benefits, child allowances and allowances received through the public health information system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Semi-transactional (for child allowances a full-transactional service, with an automatic service delivery should be implemented)</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Service provision by national authorities, data supply by national authorities</td>
</tr>
<tr>
<td>Legal Basis</td>
<td>Article 5 of Regulation (EEC) No 1408/71 of the Council, of 14 June 1971, on the application of social security schemes to employed persons and their families moving within the Community (Official Journal 149 05.07.1971)</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>Efforts are needed to secure the information exchange between administrations. Administrations need to be authorised to access the information. The exchange of information between citizens and administrations needs to be secured as well. A unique and legal identification of the citizens is therefore required.</td>
</tr>
</tbody>
</table>
### 3.4.3 Child allowances

The participants to the study expressed a need for a full-transactional service that allows them to apply and receive child allowances, preferably automatically delivered to people that are entitled to receive these benefits. At the moment, most ‘mobile’ citizens do not exactly know where to apply for child allowances (in their native, working and/or living country) and often have to proof that they did not receive any allowance from another country in order to get their application approved.

Bilateral agreements between authorities issuing child allowances, should be established to determine, for example in case of frontier workers or people working temporarily in another country, which country has to provide the allowance and (if applicable) which administration will provide the difference in allowance between the country of residence and countries in which the contributions were paid by the citizen. These questions can only be answered when information will be exchanged between the responsible agencies of different countries on the amount of family benefits paid to a family. This could be part of a social security information exchange system, described in section 3.4.2.

Summary table: see table included under the heading “Unemployment benefits”. The service should be delivered automatically to citizens.

### 3.4.4 Pensions

The PEGS to be implemented for pensions should be comparable to the one for unemployment benefits described above: the service needs to be implemented on a semi-transactional level for citizens, allowing citizens to apply on-line for a pension. The responsible national agencies should exchange information (such as the amount of pension reserve build-up in a country, the legal retirement age in a certain country) on a semi-transactional level in order to facilitate the determination of the amount of pension to be paid by the different authorities to the citizen.

Ideally, a ‘mobile’ citizen will apply for a pension at the retirement age in his living country and the local administration will exchange information with authorities in the countries where the applicant previously contributed into the pension system, to determine the amount of money that should be paid out each month. This process will be less time-consuming for the citizen, makes fraud less likely and allows the administration to control the process better, compared to the current situation.

Summary table: see table included under the heading “Unemployment benefits”.

### 3.4.5 Public health insurance

An enabler to implement a PEGS in the health care sector is currently under development: a European Health Insurance Card. From 1st June 2004, European citizens who are travelling within the European Economic Area, (i.e. the European Union, Norway, Iceland and Liechtenstein) and Switzerland, for private or professional reasons can request a European Health Insurance Card, which will simplify the procedure when receiving medical assistance during their stay in a participating country.
European inhabitants moving from one European country to another one, are (just like all inhabitants) part of their living country’s public health insurance system. They generally do not require information from administrations abroad to apply for or receive benefits from the national public health insurance.

Summary table: see table included under the heading “Unemployment benefits”.

3.5 SUPPLY OF STATISTICAL DATA

The scope of the PEGS to supply statistical data with a pan-European aspect is limited to a government-to-government service. The target group for the implementation of the service are national statistical offices and other administrations, which nowadays deliver their data by electronic means to Eurostat. The service should be fully transactional, allowing a connection between Eurostat and national statistical databases protected by a proper security system. In such a way, databases will be automatically fed with the latest information. Information exchanged includes statistical figures on import, export, employment as well as results of surveys held among the population or business world.

One of the findings of the study is that companies and citizens generally are not confronted with cross-border pan-European delivery of statistical data. Companies only need to deliver statistics to multiple organisations in the country they are established in (i.e. tax authorities, social security institutions, statistical office). At a national level, more efforts should be made to avoid delivery of identical data to multiple organisations and to come to a national harmonisation of the data (format and structure).

<table>
<thead>
<tr>
<th>Service</th>
<th>Supply of statistical data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Full-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Service provision on a European level, data supply by national authorities</td>
</tr>
<tr>
<td>Security/Identification</td>
<td>Efforts are needed to secure the exchange of information between administrations.</td>
</tr>
<tr>
<td>Management</td>
<td></td>
</tr>
</tbody>
</table>
3.6 TAX FOR BUSINESSES

Taxation related services for businesses with a pan-European aspect which need to be implemented include:

1. VAT refunding
2. Information on tax incentives
3. Declaration of excise goods

The declaration of corporate taxes is not included in the list of PEGS since corporate taxes are normally declared by the companies’ local entities. Those subsidiaries are familiar with the local tax declaration procedures; do not face any language problems, etc. Therefore the need for a pan-European eGovernment service to declare corporate taxes is not high. This need can be high for SE companies, but since there’s no such company today, the demand, user benefits, efforts and feasibility for implementing this service need to be assessed at a later moment in time.

3.6.1 VAT refunding

The participants to this study reported a lot of problems when paying or refunding VAT abroad. These problems are worsening as a result of the differences in taxation legislation (i.e. differences in requirements, period for declaration, proof needed, minimum amount for refunding) in all European countries. The process is time- and cost consuming, according to the interviewees.

The PEGS to be implemented is a full-transactional service, enabling a company to fulfil its VAT obligations (including request for refund) for its EU-wide activities solely in the Member State the company is established in. The processing of those requests requires that the VAT offices of the different participating countries are connected with each other and that a sort of clearing principle will be established to level out payments between countries.

In the frame of the VAT One-Stop-Shop project, the European Commission is consulting the Member States on the idea of allowing a trader to use a single VAT number for all supplies/deliveries made throughout the EU and to make VAT declarations to one single electronic portal that would then submit the declaration automatically to the different Member States into which the trader supplies goods or services. The scope of the project is limited to supplies made by business to consumers (B2C). This project can be considered as a first step in realising a fully transactional service for pan-European VAT refunding.

7 SE companies are companies with the legal entity of a European company. Although (on paper) this legal entity exists, no European companies are set-up due to unclear taxation rules, among other things.
### 3.6.2 Information on tax incentives

European companies trying to figure out for which benefits (i.e. tax incentives, subsidies) they are qualified to apply to, reported difficulties in finding up-to-date and accurate information. In order to overcome this problem, a PEGS should be implemented on an informational level. The informational PEGS should allow a potential applicant to fill in a form on the portal in which he or she describes the activities he/she wants to perform based upon certain criteria. Based upon these criteria a search is launched for relevant incentives. The results need to contain a short description of the incentive, the selection conditions and criteria and the procedure how to apply for the incentive.

The existing portals of the European Commission contain very useful information on tax incentives and can be used as a starting point.

The participating countries (responsible tax administrations) need to be responsible for supplying the information content and keeping it up to date. This service will benefit not only companies involved in cross-border activities, but all European companies.

<table>
<thead>
<tr>
<th>Service</th>
<th>Delivery of information on tax incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Informational</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Information needs to be provided on a European level; the content will be supplied by the national responsible administration(s)</td>
</tr>
<tr>
<td>Legal basis</td>
<td>PSI Directive (see section 3.1.1)</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>No efforts needed, the service should be open for everybody. Information is not sensitive.</td>
</tr>
</tbody>
</table>
3.6.3 Declaration of excise goods

A fully transactional PEGS organised on European level should be established to deal with the declaration of excise goods, the traffic of these goods and control of movement of excise goods. For the declaration of the excise goods a system comparable to the existing INTRASTAT system for non-excisable goods should be developed. Companies and public administrations (customs, tax administrations) are both demanding this service, as they expressed this need during interviews and surveys in this study.

In a later phase this system should be integrated with a system build upon the existing EMCS (Excise Movement and Control System) initiative to allow paperless transport of goods in Europe. To enable electronic accompaniment and monitoring of goods, it is prerequisite that all European customs offices’ IT systems are interconnected.

<table>
<thead>
<tr>
<th>Service</th>
<th>Declaration and control of movement of excise goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Full-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Service provision on a European level, data supply/exchange by national authorities</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>Efforts are needed to secure the information exchange between administrations. Administrations need to be authorised to access the information. Also authorised businesses should be able to access information of goods they are exporting. A unique and legal identification of the European companies as well as the use of single format of excise numbers is a prerequisite for the implementation of the PEGS.</td>
</tr>
</tbody>
</table>

3.7 TAX FOR CITIZENS

Taxation related services for citizens with a pan-European aspect which need to be implemented include income tax declaration and tax rebate.

Taxes with a more ‘local’ character like road taxes, gift taxes, city tax, property tax, inheritance tax, etc., will not have to be implemented at a pan-European level, since these services only apply for residents of a country and normally do not require any interaction with administrations in other countries.

All residents and even non-residents, who need to declare income taxes in a country, would like to be able to declare their taxes using a full-transactional eGovernment service. Since most tax administrations in Europe already deliver these services to their residents, the efforts to implement the service are relatively low and the feasibility is high. Tax authorities need to give non-residents access to their eGovernment services. They need to make the service available from abroad and in multiple languages.

Another enhancement of this service can be the automatic delivery of income tax declarations to citizens. In some countries, income tax declarations are filled in by the

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8 Source: ‘Benchmarking of online public service provision in Europe’ 2003. Only the 15 Member States that formed (at that moment in time) the European Union were included in the study.
tax authorities. Citizens need to check whether they agree with the declaration. This type of service should be delivered in all European countries.

Most tax authorities nowadays do not offer their customers the possibility to (provisionally) rebate tax on a bank account in another country. This needs to be made possible in a short timeframe. All customers will benefit from this improvement in the service delivery.

A next step in the implementation of this PEGS will be the exchange of information of certain data (i.e. total income, pre-paid taxes) between tax administrations in order to ease the declaration for citizens and to combat tax evasion. This PEGS should be supplied by local tax administrations on the basis of bilateral agreements between countries, because the taxation legislation is very different in each country.

<table>
<thead>
<tr>
<th>Service</th>
<th>Declaration and rebate of income tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of online provision</td>
<td>Full-transactional</td>
</tr>
<tr>
<td>Provider/Supplier</td>
<td>Service provision and supply on a national level</td>
</tr>
<tr>
<td>Legal basis</td>
<td>A legal basis exists as bilateral agreements between Member States: they have concluded tax conventions with one another aimed at preventing double taxation of income.</td>
</tr>
<tr>
<td>Security/Identification Management</td>
<td>An effort is needed to secure the information exchange between the responsible administrations and the citizen. Also information exchange between the tax administrations of different European countries needs to be secured.</td>
</tr>
</tbody>
</table>

3.8 WORK

Job related services for citizens with a pan-European aspect which need to be implemented include:

1. Recognition of qualification and diplomas
2. Application for a job

3.8.1 Recognition of qualification and diplomas

European citizens looking for work or trying to settle themselves (as a self-employed) in another European country than their current living country, reported a need for a pan-European informational service regarding the recognition of their diplomas and qualifications.

A next step in promoting the mobility of workers by recognition of foreign qualifications and diplomas will be the harmonisation or mutual recognition of diplomas. Initiatives are already taken at a European level to start this process: the Bologna Declaration. This declaration will need to be enlarged to make sure that other studies than undergraduate and postgraduate studies (current scope of Bologna Declaration) will be included.

An informational service to inform people on recognition of diplomas in different countries could be part of the informational service on education. The summary table is included under the heading “education” (section 3.3).
3.8.2 Job search

Job offerings published by national public employment administrations must be accessible for citizens living abroad, preferably via a European portal. This service (EURES) already exists, but is strongly depending on the willingness of national administrations to upload their job offerings on the EURES database. A full-transactional PEGS should be implemented to exchange information between the national public employment administrations and the EURES database. This PEGS will be supplied at a European level.

The demand for this service is not very high, since most participants to the study declared that they prefer to use commercial job search websites. And they sometimes weren’t aware of the existence of the EURES portal. Efforts should be made to better market and promote the portal.

On the other hand, all national administrations should make sure that they deliver full-transactional services to all European citizens, thus enabling not only the consultation of the job offer but also the upload of data (i.e. curriculum vitae) of job seekers. Most employment administrations already provide online services\(^9\), but the applications/websites should be made available in multiple languages.

In such a way, the EURES database will be automatically fed with the latest information (=job offers and job seekers) available in the databases of the national employment offices.

<table>
<thead>
<tr>
<th>Service</th>
<th>Job search</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level of online provision</strong></td>
<td>Full-transactional</td>
</tr>
<tr>
<td><strong>Provider/Supplier</strong></td>
<td>Provision of the service on a European level, data supplying by national authorities</td>
</tr>
<tr>
<td><strong>Legal basis</strong></td>
<td>European Employment Guidelines, European Council decision of 4 October 2004 (2004/740/EC)</td>
</tr>
<tr>
<td><strong>Security/Identification Management</strong></td>
<td>Efforts are needed to secure the information exchange between administrations and between the citizen and the portal.</td>
</tr>
</tbody>
</table>

---

\(^9\) 94% of the job services is provided online. Figures from ‘Benchmarking of online public service provision in Europe’ 2003. Only the 15 Member States that formed (at that moment in time) the European Union were included in the study.
4 RANKING AND PRIORITISATION

The main objective of the current study has been the establishment of two recommended prioritised lists of PEGSs: one for citizens and one for businesses.

Both ranked lists, presented in the current chapter, are prioritised according to the following criteria: demand and potential user benefits. The prioritisation is done by taking the arithmetic average of these 2 criteria. For information purposes, also an estimate of the efforts needed and the feasibility to implement the PEGSs is given as well as an indication of the existence of a legal basis on European level (political priority). The ranking criteria as well as the estimate of the efforts and feasibility are scaled between a theoretical minimum of 0 (0%) and a theoretical maximum of 1 (100%).

Calculation of the demand, potential user benefits, efforts and feasibility are based on the results of the questionnaires sent out to users (citizens and businesses) and suppliers/providers of public services. It should be taken into consideration that the criteria calculated are indicative only and highly dependant on the response rate and quality of responses received. Before implementing PEGSs more in-depth feasibility studies should be carried out to perform a costs and benefits analysis of the business case of implementing a certain PEGS.

Only the lowest level of services (sub-services) described in chapter 3 as services to be implemented as PEGS, have been retained in the ranked and prioritised lists presented in this chapter.

As supplier/provider efforts and feasibility depend on the service level on which a PEGS needs to be implemented, tables included in this chapter only contain the scores for the recommended service level.

Demand

The demand for the services is based on the results of the online questionnaires for citizens and businesses, where respondents were asked to give their impression on the need (very low need, rather low need, rather high need, very high need) for these services. The needs of the respondents of the questionnaires have been weighted and multiplied with the potential target group. In this calculation, the target group is defined as an estimated percentage of the total group of ‘mobile’ citizens/companies performing cross-border activities in Europe. The effects of taking into account the potential target group is summarised in the following table:
<table>
<thead>
<tr>
<th>Service</th>
<th>Need</th>
<th>Target group</th>
<th>Weighted need</th>
</tr>
</thead>
<tbody>
<tr>
<td>01. Residence permits</td>
<td>70%</td>
<td>100%</td>
<td>0.70</td>
</tr>
<tr>
<td>02. Work permits</td>
<td>63%</td>
<td>90%</td>
<td>0.57</td>
</tr>
<tr>
<td>03. Birth certificates</td>
<td>59%</td>
<td>60%</td>
<td>0.35</td>
</tr>
<tr>
<td>04. Car registration</td>
<td>70%</td>
<td>50%</td>
<td>0.35</td>
</tr>
<tr>
<td>05. Driving license</td>
<td>66%</td>
<td>100%</td>
<td>0.66</td>
</tr>
<tr>
<td>06. Renewal or extension of your passport</td>
<td>68%</td>
<td>100%</td>
<td>0.68</td>
</tr>
<tr>
<td>07. Registration for elections</td>
<td>61%</td>
<td>75%</td>
<td>0.46</td>
</tr>
<tr>
<td>08. Job search</td>
<td>86%</td>
<td>25%</td>
<td>0.22</td>
</tr>
<tr>
<td>09. Recognition of qualifications</td>
<td>72%</td>
<td>50%</td>
<td>0.36</td>
</tr>
<tr>
<td>10. Tax declarations</td>
<td>79%</td>
<td>100%</td>
<td>0.79</td>
</tr>
<tr>
<td>11. Pensions</td>
<td>81%</td>
<td>100%</td>
<td>0.81</td>
</tr>
<tr>
<td>12. Social security contributions</td>
<td>80%</td>
<td>90%</td>
<td>0.72</td>
</tr>
<tr>
<td>13. Public health insurances</td>
<td>81%</td>
<td>90%</td>
<td>0.73</td>
</tr>
<tr>
<td>14. Unemployment benefits</td>
<td>80%</td>
<td>15%</td>
<td>0.12</td>
</tr>
<tr>
<td>16. Marriage certificates</td>
<td>42%</td>
<td>50%</td>
<td>0.21</td>
</tr>
<tr>
<td>17. Child allowances</td>
<td>78%</td>
<td>40%</td>
<td>0.31</td>
</tr>
<tr>
<td>18. Enrollment at college/university</td>
<td>80%</td>
<td>25%</td>
<td>0.20</td>
</tr>
<tr>
<td>19. Study grants</td>
<td>76%</td>
<td>25%</td>
<td>0.19</td>
</tr>
</tbody>
</table>

The total number of people benefiting from the implementation of a PEGS can be higher than the group of ‘mobile’ citizens, since certain services have a broader target group: all European citizens.

The frequency of using a certain PEGS has not been retained as a factor in the calculation of the demand as it is very dependent on the personal situation of a mobile citizen/company and as such impossible to estimate without further profiling of the group of mobile citizens/companies performing cross-border activities.

**Potential User Benefits**

Potential user benefits give an indication of time and costs saved per user group by the introduction of the PEGSs in question. The calculation of these benefits is based on the results of the online questionnaires for citizens and businesses, where respondents were asked to give their impression on the time and cost spend using these services (very low, rather low, rather high, very high). The total potential user benefits are calculated as an arithmetic average of the time and cost benefits.

**Efforts**

The efforts needed to implement eGovernment services on a pan-European level are theoretically estimated based on the results of the questionnaire sent out to service suppliers/providers.

---

10 The percentage displayed in this column is a percentage of the population ‘mobile’ citizens in Europe. The estimated demand for a certain service is depending on the percentage of people within the group of ‘mobile’ citizens who are (potential) user of a certain service.
The efforts take into account the current situation of the (national) eGovernment services provided: level of organisation of the service provision, level of online development and the number of languages in which the service is currently provided. Other elements used are the estimated efforts, assessed by the respondents of the questionnaire, in each of the following domains: IT infrastructure, interoperability & standardisation and capability development. Respondents were asked to estimate the effort to implement the service as a PEGS on a 4-points scale ranging from ++ (high efforts needed) to -- (minimal efforts needed).

The implementation of eGovernment services on an informational level is made possible by the implementation of the PSI Directive. Availability of information in multiple languages decreases generally the efforts to implement PEGS in a country.

Feasibility

The feasibility of the implementation of eGovernment services on a pan-European level is theoretically estimated based on the results of the questionnaire sent out to the service suppliers/providers. Feasibility takes into account restricting factors and obstacles that public administrations need to overcome to be able to implement PEGSs.

The feasibility of implementing a certain PEGS is calculated based on the current and the desired level of service provision (European or bilateral), which give an indication of the administrative complexity and on the efforts, assessed by the respondents of the questionnaire, which are needed in each of the following domains: strategic & political leadership, regulation/legislation change and back-office reorganisation. Respondents were asked to estimate the effort on a 4-points scale ranging from ++ (high efforts needed) to -- (minimal efforts needed). The lesser efforts needed the more feasible it becomes to implement a certain PEGS.

The current status of existing networks between national administrations is not taken into account. If some countries do already have agreements on exchanging information, this can increase the feasibility to implement a PEGS.

Legal basis

The existence of a European legal basis for the implementation of a PEGS, can help Member States to implement a PEGS on a European level. The political prioritisation for the implementation of PEGSs is on the one hand a matter to be dealt with by the Member States itself and on the other hand by European institutions (e.g. the European Council).
4.1 PRIORITISED LIST OF PEGS FOR CITIZENS

The prioritised list of PEGSs for citizens is illustrated in Figure 3.

As presented in the graph above, pensions, tax declaration and refunding and public health insurances are very high on the priority list. During the interviews with ‘mobile’ citizens in this study, it became obvious that pensions and public health insurances cause a great deal of concern. They expressed a need for PEGSs to give them a stronger feeling of (social) security. The main reason for the high score on ‘Tax declarations & refunding’ is that the target group of this study was annoyed by having to fill out tax declarations and give the same explanations over and over again to different countries’ tax administrations.

Next to these services, there is also a high demand for the implementation of PEGSs for permits and licences: passports, residence permits, driving licence and work permits. Concise, clear and centrally available information is the minimum requirement, being able to perform (at least a part of) the application procedure online would be even a greater improvement of the current situation.

The contribution of the individual criteria to the prioritisation of a service is included in the table below. The other ranking criteria, namely recommended service level, needed efforts, feasibility and existence of a legal basis, are included in the table as well.
4.2 PRIORITISED LIST OF PEGS FOR BUSINESSES

The prioritised list of PEGSs for businesses is illustrated in Figure 4. One can see that according to the defined criteria, refunding of VAT and declaration of excise goods rank highest. It should be noted that declaration of excise goods needs to be seen in a broader context and should also include electronic handling of the transport of these goods.

Since companies wanting to register a new company abroad, use the local online (already available) services, the PEGS to be implemented for registration of a company is purely informational. This service could be extended to include also information on other aspects of establishing a new company: procedures and formalities to be fulfilled, financial and tax incentives one can qualify for, etc.

Table 2: Ranking and prioritisation for PEGS for citizens

<table>
<thead>
<tr>
<th>Service</th>
<th>Demand</th>
<th>Benefits</th>
<th>Total</th>
<th>Service Level</th>
<th>Efforts</th>
<th>Feasibility</th>
<th>Legal Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions</td>
<td>81%</td>
<td>43%</td>
<td>62%</td>
<td>Semi-transactional</td>
<td>22%</td>
<td>9%</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax declarations &amp; refunding</td>
<td>79%</td>
<td>39%</td>
<td>59%</td>
<td>Full Transactional</td>
<td>31%</td>
<td>9%</td>
<td>Yes</td>
</tr>
<tr>
<td>Residence permits</td>
<td>70%</td>
<td>46%</td>
<td>58%</td>
<td>Semi-transactional</td>
<td>12%</td>
<td>24%</td>
<td>Yes</td>
</tr>
<tr>
<td>Public health insurances</td>
<td>72%</td>
<td>40%</td>
<td>56%</td>
<td>Semi-transactional</td>
<td>63%</td>
<td>16%</td>
<td>Yes</td>
</tr>
<tr>
<td>Passports</td>
<td>68%</td>
<td>44%</td>
<td>56%</td>
<td>Semi-transactional</td>
<td>30%</td>
<td>15%</td>
<td>No</td>
</tr>
<tr>
<td>Work permits</td>
<td>57%</td>
<td>48%</td>
<td>52%</td>
<td>Semi-transactional</td>
<td>22%</td>
<td>23%</td>
<td>Yes</td>
</tr>
<tr>
<td>Driving license</td>
<td>65%</td>
<td>38%</td>
<td>52%</td>
<td>Full-transactional</td>
<td>50%</td>
<td>9%</td>
<td>Yes</td>
</tr>
<tr>
<td>Car Registration</td>
<td>35%</td>
<td>58%</td>
<td>46%</td>
<td>Semi-transactional</td>
<td>16%</td>
<td>29%</td>
<td>No</td>
</tr>
<tr>
<td>Job search</td>
<td>22%</td>
<td>60%</td>
<td>41%</td>
<td>Full-transactional</td>
<td>49%</td>
<td>7%</td>
<td>Yes</td>
</tr>
<tr>
<td>Recognition of qualifications</td>
<td>36%</td>
<td>40%</td>
<td>38%</td>
<td>Informational</td>
<td>6%</td>
<td>48%</td>
<td>Yes</td>
</tr>
<tr>
<td>Birth certificates</td>
<td>35%</td>
<td>36%</td>
<td>36%</td>
<td>Full-transactional</td>
<td>66%</td>
<td>5%</td>
<td>No</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td>12%</td>
<td>53%</td>
<td>33%</td>
<td>Semi-transactional</td>
<td>30%</td>
<td>17%</td>
<td>Yes</td>
</tr>
<tr>
<td>Enrollment at college/university</td>
<td>20%</td>
<td>42%</td>
<td>31%</td>
<td>Informational</td>
<td>5%</td>
<td>51%</td>
<td>Yes</td>
</tr>
<tr>
<td>Study grants</td>
<td>19%</td>
<td>43%</td>
<td>31%</td>
<td>Informational</td>
<td>6%</td>
<td>67%</td>
<td>Yes</td>
</tr>
<tr>
<td>Marriage certificates</td>
<td>21%</td>
<td>29%</td>
<td>25%</td>
<td>Full-transactional</td>
<td>66%</td>
<td>7%</td>
<td>No</td>
</tr>
<tr>
<td>Child allowances</td>
<td>31%</td>
<td>11%</td>
<td>21%</td>
<td>Full-transactional</td>
<td>99%</td>
<td>7%</td>
<td>Yes</td>
</tr>
</tbody>
</table>
The contribution of the individual criteria to the prioritisation of a service is included in Table 3. The other ranking criteria: recommended service level, needed efforts, feasibility and political priority, are also included in the table.

For the service tax incentives and consumer protection, labelling and packaging the response to the questionnaire was too limited to calculate a score. Regarding submission of statistical data, this service was not included in the questionnaire for businesses as companies are generally not confronted with cross-border delivery of statistics.

![Figure 4: Ranked list of PEGS for businesses](image)

Table 3: Prioritisation and ranking of PEGS for businesses

<table>
<thead>
<tr>
<th>Service</th>
<th>Demand</th>
<th>Benefits</th>
<th>Total</th>
<th>Service Level</th>
<th>Efforts</th>
<th>Feasibility</th>
<th>Legal Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refunding VAT</td>
<td>75%</td>
<td>50%</td>
<td>63%</td>
<td>Full Transactional</td>
<td>66%</td>
<td>8%</td>
<td>Yes</td>
</tr>
<tr>
<td>Declaration of excise goods</td>
<td>70%</td>
<td>50%</td>
<td>60%</td>
<td>Full Transactional</td>
<td>67%</td>
<td>8%</td>
<td>Yes</td>
</tr>
<tr>
<td>Registration of a new company</td>
<td>67%</td>
<td>50%</td>
<td>58%</td>
<td>Informational</td>
<td>96%</td>
<td>50%</td>
<td>Yes</td>
</tr>
<tr>
<td>Registering intellectual property</td>
<td>38%</td>
<td>33%</td>
<td>35%</td>
<td>Semi-transactional</td>
<td>80%</td>
<td>24%</td>
<td>Yes</td>
</tr>
<tr>
<td>Public procurement</td>
<td>16%</td>
<td>6%</td>
<td>11%</td>
<td>Semi-transactional</td>
<td>89%</td>
<td>43%</td>
<td>Yes</td>
</tr>
<tr>
<td>Tax Incentives</td>
<td>No responses</td>
<td>Informational</td>
<td>No responses</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer protection, labelling and packaging</td>
<td>No responses</td>
<td>Informational</td>
<td>93%</td>
<td>39%</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submission of statistical data</td>
<td>Not applicable</td>
<td>Full Transactional</td>
<td>74%</td>
<td>11%</td>
<td>No</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ANNEX 1: IDENTIFICATION OF THE NEEDS OF CITIZENS AND BUSINESSES

Summary

This annex describes the results of the second phase in the project: the identification of the needs of ‘mobile’ citizens and businesses in order to identify the possible PEGS. Only the findings of the qualitative and quantitative surveys and suggestions made by the interviewees and participants to the web survey are expressed in this annex.

Findings

‘Mobile’ citizens and companies involved in cross-border activities experience multiple problems when moving to and/or being present in a country other than their home country. When facing administrative obligations, it is difficult for them to find information on procedures to follow. When found, the information is mostly available in the country’s national language. Often, the public administrations are not able to provide proper assistance.

If citizens manage to sort out the right procedure, they are facing a number of other difficulties: the translation of compulsory documents, proof needed from administrations of the native country or country previously lived in, inadmissible certificates provided by administrations in other Member States, etc.

The above-mentioned issues feed the general feeling of ‘uncertainty’ of ‘mobile’ citizens. ‘Mobile’ citizens are strongly dependent on their employer and/or other ‘mobile’ citizens to find out how public sector services work in a certain country.

Businesses involved in cross-border activities often use either local agents or service-providing companies (e.g. tax advisors) to help them. SME’s usually cannot rely on subsidiaries abroad nor have enough resources to appeal to service providers, meaning they have to find out everything by themselves. This forms an important obstacle for expanding their business abroad.

Often, participants to the study commented that a lot of problems are caused by the differences in legislation in each country. According to them a further harmonisation of the legislation in all Member States will ease the free movement of goods, persons, services and capital in Europe.

Demand and user-benefits

There is a large demand for pan-European eGovernment services for ‘mobile’ citizens on social security related services and tax declarations. The participants of this study consider those services as to be time consuming and, in to much lesser extent, cost consuming. Mainly time reduction will be the user benefits when implementing the services.

Businesses expressed an almost equal demand for the implementation of tax services, export related services and public services used at the establishment of a company
abroad. In contrary, the highest user benefits are expected when a PEGS related to facilitating the recruitment of foreign employees will be implemented. Businesses reported that this service is nowadays most time and cost consuming. The results of the online questionnaire for businesses must be analysed with care due to the limited number of responses.

**Approach**

**Interviews and focus groups**

During the qualitative research activities, 5 focus groups and 74 interviews of ‘mobile’ citizens and companies were organized in order to gather the necessary qualitative data. The interviews and focus groups were organised from mid July 2004 until mid September 2004.

The ‘face-to-face’ interviews were held in Prague, Madrid, London, Copenhagen, Belgium and the Netherlands. Telephonic interviews were held in the whole of Europe. The qualitative research has been built around a storyboard, which followed the life cycle of respectively a ‘mobile’ citizen and a cross-border company. For each event identified within the life cycles, possible interactions with the local and European administration were highlighted.

The interviewees were asked to indicate their needs for and problems they experienced with e-Government services with a cross-border aspect: the preliminary list of possible PEGS. The pure “local” services (e.g. garbage collection, etc.) were not taken into account. The information collected during the qualitative research has been used to complete the preliminary list of possible PEGS, to identify the current administrative issues encountered by ‘mobile’ citizens and cross-border companies and to collect possible suggestions for improvements. Interviewees also expressed their opinion on whether the services should be purely “informative” or have a “transactional” nature, e.g. one-way, two-way interaction or full electronic case handling.

The results of the qualitative research are trustworthy and give a good insight in the problems ‘mobile’ citizens and businesses involved in cross-border activities nowadays are facing.

**Online questionnaire**

The information gathered during the interviews and focus groups has been used as a basis for the development of web-based questionnaires, which have been made available on-line during the next research phase, for ‘mobile’ citizens and companies from all 30 targeted countries, i.e. the 25 EU countries, Bulgaria, Iceland, Norway, Romania and Turkey. The questionnaire was online from mid September until the end of December 2004. An extra effort was made to have more participants to the questionnaire by sending it (via DG Market’s business panels) to more companies who could reply to the questionnaire during the months November and December 2004.

In order to be able to rank and prioritise the identified possible PEGS, participants were also asked to evaluate the following two criteria: “Demand” and “User benefit”
for implementing a PEGS. “Demand” gives an answer to the needs for PEGS while “User benefit” focuses on the time and costs savings that can be realised in case of implementation of a PEGS.

The participants were asked to indicate the information sources they used to find out the procedure to follow, what problems they encountered when using the service and to give suggestions for improvement.

Both target groups, ‘mobile’ citizens and businesses, were invited to participate in the web survey. ‘Mobile’ citizens were contacted through a number of selected intermediaries, i.e. European institutions or organisations that are closely related to the ‘mobile’ citizens such as (profit and non-profit) companies working with expatriates, associations of expatriates, universities and colleges. These organisations were also asked to fill in the business part of the web survey. Other means of contacting businesses were: Chambers of Commerce, European umbrella organisations of profit and non-profit organisations, etc.

Thousands of companies and hundreds of intermediaries for companies were invited to participate to the study. Unfortunately only a very limited number of them, namely less than 10%, filled in the questionnaire.

The online questionnaire for ‘mobile’ citizens (which were invited via intermediaries) resulted in more than 160 participants, who expressed their needs for and findings of cross-border eGovernment services.

**General findings**

‘Mobile’ citizens’ interviews and focus groups

In general the ‘mobile’ citizens or citizens having the intention to move to another country reported the perception of being inconvenienced and left on their own when facing the administrative obligations which are linked to moving to another European country. Expatriates working for an international company can count on the assistance and support of specialised companies. The same accounts for ‘mobile’ students: they can count on the support of the university they are studying at. Other categories of ‘mobile’ citizens, like self employed workers, have to sort out everything by themselves.

An important complaint of ‘mobile’ citizens searching for information on public sector services, concerns the scattering of the information, even on the internet. Some administrations have included in their websites a section for nationals leaving the country to work and/or live abroad, but hardly any of them have centralised the information for incoming European citizens who want to live in their country. Thus “EU immigrants” have to search for information on the level of the different local administrations and private service providers.

A variance in the procedures in different EU Member States to obtain public services or to respond to administrative obligations, hamper an easy interpretation of a procedure for ‘mobile’ citizens based of their national experiences. Even services subordinated to European legislation – e.g. right of residence for EU citizens and residents permits – seem to be implemented differently in the Member States, because EU legislation is differently interpreted and introduced in national legislation. For
example to obtain a resident permit differences in the required documents and proofs are noted not only between European countries but also within a country. This increases the perception of ‘mobile’ citizens that civil servants staffing the front offices of national, regional or local administrations are lacking specialised qualification and language skills. Certain documents – e.g. birth certificates – are not accepted by another Member State administration as they do not comply with the format used on national level.

Language issues are often mentioned as a supplementary barrier to access the information concerning the obligations and rights one has when moving for a longer period to another EU Member State. Information concerning the procedures to follow and official documents and forms that are needed, are often only available in the national or regional language.

Also information on different aspects and issues that influence the quality of life is not available. For example many expatriates, as residents, would like to have the possibility to calculate easily the difference between gross and net salary in their future home country.

Most ‘mobile’ citizens support the statement that once the adequate information concerning administrative services is gathered, the procedures to fulfil administrative obligations are experienced in general as efficient and the response times as acceptable. Most ‘mobile’ citizens feel that re-use of data and identification of citizens between EU countries is even less common than it is within a Member State. Applicants often have to prove their situation with different paper documents coming from countries they previously lived in.

Another important finding is that many ‘mobile’ citizens express a perception of uncertainty on having access to and/or being covered by the different rights a EU citizen can apply for. More particular social security services (pension, health care, unemployment benefits…) being differently organised in each country, are a main preoccupation for expatriates. “One is never 100% sure that everything is arranged properly”, was an often noticed remark.

Suggestions made by ‘mobile’ citizens participating to the study

‘Mobile’ citizens would like to have all necessary information (i.e. on the procedure to follow, on necessary documentation, information on the responsible authority, etc.) easily available on the internet. One of the ideas is to cluster all relevant information for incoming EU citizens on national eGovernment portal sites. The structure of this information should be harmonised in all EU Member States. These eGovernment sites should also provide all relevant forms translated in the major EU languages and as much as possible transactional services tailor made for ‘mobile’ citizens. They should provide interactive administrative check lists for ‘mobile’ citizens.

A lot of EU initiatives, like the portal Dialogue with citizens or businesses, are not known by the target group. An enormous amount of information is available but they are not aware of it. An active promotion of these initiatives and how they can be accessed can be of added value.

The interviewees are expressing the hope that the interoperability of data systems of the administrations in different countries and the re-use of data combined with unique
national identification systems would save them a lot of effort when travelling and
living around Europe. They are aware of the fact that it takes a lot of time and
resources and that harmonisation of legislation, procedures and definitions are
prerequisites for the further development of pan-European public services.

Business’ interviews

A general finding resulting from the business interviews is that the usage of cross-
border public services in the “big” international companies (disposing of established
subsidiaries in different European countries) is limited. They use their local entities to
deal with administrative obligations to the national administrations or international
private (consulting) firms to assist them.

Even companies, who are already longer present in a country, need the engagement of
high level specialists in order to deal with certain (country-specific) particularities in
registration procedures, environmental related obligations, accounting systems,
labour- and social law and financial reporting.

Processes linked to human resources issues and taxes are mostly outsourced to
specialised international private (consulting) firms. Those private organisations for
every take care of tax returns for the expatriate employees.

The above-mentioned observations cause important obstacles for SME’s to develop
cross-border activities, as they generally do not dispose of subsidiaries abroad or
enough resources to appeal to specialised international private (consulting) firms.

As mentioned earlier, one of the major problems for businesses is the difference in
legislation and regulations in the different countries. An example that was mentioned
by one of the interviewees is that despite a long history of initiatives on the
harmonisation of corporate income taxes within the European Union, the Member
States still operate their own national corporate income tax system, with only limited
co-ordination between them. Even on domains like indirect taxation and customs
policy where a common EU legislation is applicable, major differences subsist in the
implementation of the EU Directive in national legislation.

Businesses, as citizens, often report difficulties in finding accurate information on the
national regulations and obligations. Information found on local government websites
is not detailed enough and often not translated.

Interviewees expressed problems they were facing when using European portal
websites: the information provided on those sites is not structured in a user-friendly
way. Companies are aware of the fact that the EU websites dispose of vast databases
but the search rationale developed in certain databases should be more “instinctive”,
more from a customer perspective.

Business spokesmen report also the lack of communication and trust between the
national administrations. This causes a redundancy of information requests by national
authorities.

Other complaints concern the low knowledge level of local civil servants within
national and regional administrations business front offices employees.
Suggestions made by companies participating to the study

All interviewees are in favour of an accelerated harmonisation of national business legislation on a European level. They are aware that this will take some time to establish, but the use of common forms and procedures for similar public sector services will already be of great help.

A central idea repeated by different interviewees is to improve the government to business service (B2G) on a European level by introducing a European unique business identification number and database. Some businesses expressed the idea of the creation of a European database by the European Commission with all the necessary information concerning enterprises and suppliers. This information is now available in different mercantile registers.

The development of interoperable systems with data exchange based on trust between national administrations can be an important enabler for the stimulation of business mobility in Europe.

The establishment of a statute of European Company SE ("Societas Europaea"), which will enable companies to operate on a Europe-wide basis, is known by the interviewees but many questions remain.

Concerning the online information provision the respondents are asking for a better organisation of the information on the EU websites on the basis of "events", for example business of category A wants to establish business in country X. It would be of added value if the company in question could visit a website which contains an index with all necessary information on:

- Administrative standard procedures
- National business related legislation
- Market information
- Financial and tax incentives from national administrations
- Corporate taxes
- Data and statistics

Businesses reporting the poor quality of information and language problems they experienced when contacting local administrations, suggested enhancing the quality of service by re-engineering and modernisation of national administrations. The competencies of civil servants dealing with European cross-border users should be raised to an international level.
ANNEX 2: IDENTIFICATION OF THE EFFORTS AND FEASIBILITY TO IMPLEMENT SERVICES AT A PAN-EUROPEAN LEVEL

Summary

This annex describes the results of the third phase in the project: the identification of efforts and feasibility to implement services as a PEGS. Only the findings of the qualitative and quantitative surveys and suggestions made by the interviewees and participants to the web survey are expressed in this annex.

Findings

During the interviews with national eGovernment experts, service suppliers and providers, the most common findings were that information and services are only available in national language(s). Another important finding is that national eGovernment strategies contain hardly references to the development of eGovernment with pan-European aspects.

Some interviewees stressed the fact that a ‘positive’ business case will be needed to implement services with pan-European aspects.

Estimated efforts and feasibility

The estimated efforts needed to implement full-transactional services at a pan-European level is more than twice as high than needed for the implementation of semi-transactional services. The efforts needed to implement pan-European services on child allowances, unemployment benefits and passports score the highest. Services for submission of statistical data and taxation/customs services (income tax declaration & refunding, custom duties and VAT) appear to be the services which can be implemented with the smallest efforts.

The above-mentioned observation is in line with the findings on the feasibility of the implementation of services. The submission of statistical data is most feasible to implement, the taxation/customs services also score very well (in the top 10). The implementation of pan-European services on passports, labour legislation and unemployment benefits seems to be not very feasible; they score less than 30% of the maximal score.

Approach

Interviews

During the qualitative research activities, 23 interviews with (one or more) representatives of public sector service suppliers or providers were organized in order to gather the necessary qualitative data. The interviews were organised from mid July 2004 until mid October 2004.

The ‘face-to-face’ interviews were held in Prague, Madrid, London, Copenhagen and Brussels. Objectives of the interviews were the assessment of the necessary input and
efforts needed to develop pan-European eGovernment services (on the basis of the
current situation in public administrations) and the collection of information to allow
an analysis of the impact on the different eGovernment domains. The interviewees
where either experts on eGovernment who could think conceptual and had a vision on
eGovernment or experts that had been involved in the implementation of
eGovernment services.

**Questionnaire**

The information gathered during the interviews has been used as a basis for the
development of a questionnaire, which was sent to:

- The network of TAC members and Advisory Board members to the study
- Members of the European Commission DG Information Society network
  which is used in the yearly repeated ‘benchmarking survey on the online
  public service provision in Europe’, and their local contact persons.
- Information points in all national public administrations (they were asked to
  forward the questionnaire to the responsible department/person for
eGovernment)

The questionnaire was thus sent to approximately 415 recipients in all 30 targeted
countries, i.e. the 25 EU countries, Bulgaria, Iceland, Norway, Romania and Turkey.
The deadline for delivery of responses was (after several prolongations) October 31\textsuperscript{st} 2004.

**General findings**

During the interviews with public sector service providers and suppliers, some general
findings were observed.

Information, websites and services provided by public administrations are mostly only
available in the national language(s). The PSI Directive\textsuperscript{11} which enables the exchange
of information from other public administrations, will only help to implement PEGS if
public administrations are presenting their information in more languages.

The usage of some electronic public sector services is restricted to residents of a
country, because citizens or businesses need to identify themselves by using a number
(e.g. birth number, SoFi number, national number) which is sometimes only awarded
to residents. Most administrations delivering services across borders therefore would
either like to have a European identification number enabling them to authenticate the
citizen/business. According to them another solution will be the exchange of
information based on bilateral agreements between countries on the basis of a unique
‘identifier’ for a citizen or business.

Not only cross-border eGovernment services, but also national services (exchange of
information between administrations in one country) can be improved by using this
unique ‘identifier’.

In the United States the e-Authentication Initiative aims at using a standards-based

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plan to provide online identity verification services to the U.S. government across 26 federal agencies.

The exchange of information between administrations in a country is mostly facilitated by a secured network between them. Most countries developed national initiatives to facilitate the exchange of information between administrations at a national level (i.e. the Danish XML project). These initiatives can be of great help when it comes to the international exchange of data.

Another important finding is that the different national eGovernment strategies contain hardly references to the development of eGovernment services with pan-European aspects. Pan-European eGovernment service delivery is certainly not yet high listed on the national political agenda.

National authorities are considering ‘mobile’ citizens as a minority group for which important investments can not be justified for the national electorate.

Estimations of the efforts and feasibility to implement services

The efforts and feasibility needed to implement eGovernment services on a Pan-European level are theoretically estimated based on the results of the questionnaire sent out to the service suppliers/providers.

The current situation of the eGovernment services provided to citizens/businesses of one country is the first criterion that has an impact on the implementation of PEGS. Following elements are taken into account when defining the current situation:

- **Level of organisation of the service provision.** If the service is provided on national level it will take less effort and will be more feasible to uplift the service to a Pan-European level compared to a service provided on national level.

- **Level of online development.** We are aware of the fact that even if a service is now fully transactional in all participating countries, it might not be straightforward to combine the fully transactional (IT) systems to a fully transactional PEGS. It is however true that a fully transactional service on national level implies that a thorough study of the front- and back-office processes has been done, which will decrease the effort when it comes to implementing PEGS.

- **The number of languages in which the service is currently provided.** As we assume that the PEGSs need to be provided at least in the three EU working language, availability of national eGovernment services in these languages, will decrease the effort.

The other three criteria used are the efforts needed for the implementation of PEGSs in the following domains (see previous section), as assessed by the respondents of the questionnaire:
<table>
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<th>Barriers for eGovernment development</th>
<th>Estimation of efforts</th>
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<td>Level of organisation of the service provision</td>
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<tr>
<td>Back-office reorganisation</td>
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A simulation is made to quantify the effort and feasibility (as a percentage of the theoretical maximum) for an informational, semi-transactional and full-transactional PEGS provision.
ANNEX 3: OBSTACLES AND RESTRICTING FACTORS FOR EGOVERNMENT DEVELOPMENT

In this annex the different barriers for a further development of eGovernment services are described. They result from the qualitative data collection during the 3rd phase of this study: interviews with European and national e-Government responsible.

It is obvious that these barriers, defined on the basis of the national eGovernment experiences, will multiply when implementing eGovernment services on a pan-European level.

**Strategic & political leadership**

The need of a strong political leadership for the success of eGovernment programmes is well-known. Important efforts are needed to overcome all barriers deriving from the very nature of the political structures and the strategic and political leadership necessary for a successful government strategy:

- Transitory political interest vs. strong political commitment at all levels of government to ensure the presence of the eGovernment vision programme as a priority on the political agenda;
- The politicians’ resistance to address fundamental changes or questions, which would bring the risk of computerising what exists (substitution) as the most straightforward approach, vs. the need for more fundamental changes;
- The conflicting political goals of transparency for the different actors. For example the tension between transparent governance vs. privacy and data protection;
- The conflicting interests and priorities at national level (standardisation, harmonization, cohesion, long term planning) vs. those at local level (personalisation, effectiveness, political accountability, short term planning);
- The conflicting short-term interests driven by the political mandates’ timeframes and longer term planning needed for transformation of structures, processes and culture.

**Financing**

An assured long term financing of eGovernment programmes is essential for eGovernment programme implementation:

- A secure funding of the rollout of eGovernment strategies as an essential element of this planning vs. scattered and uncertain funding organized on an agency-by-agency basis;
- The need for cost-benefit and costs-saving’s monitoring of ICT investments
- The need to account for training and change management costs in addition to direct ICT investment costs, etc.
IT Infrastructure

The efforts needed to overcome all technological barriers are:

- The need for security: authentication, authorization, privacy guarantees, integrity and incontestability;
- The need for an infrastructure strategy in its broadest sense: hardware, middleware & software and maintenance issues, such as corrections, changes and improvements;
- The need for a policy focusing on a common use of existing and newly implemented infrastructure;
- The need for tools and methods on how to effectively apply ICTs for more efficiency, effectiveness, structural and cultural transformation, addressing resistance to change, etc;
- The need for specific knowledge management tools to address the complexity and high scale of information base in highly structured organizations;
- The need for technologies to address the cognitive overload which comes as a consequence of knowledge sharing and democratic consultation.

Regulation / legislation change

It is obvious that an important enabler of the implementation of eGovernment services is the change and harmonisation of legislation. Efforts needed to overcome the barriers posed by legal and regulatory framework(s) can be:

- The need for legislation adjustments necessary to simplify underlying procedures;
- The need for greater harmonisation of the legal and regulatory frameworks for interoperability, for the provision of cross-border services, for ensuring security, privacy protection and for providing identity management;
- The need to find the balance between a harmonised framework and a mandatory legislation.

Interoperability & standardisation

Interoperability is a key issue when assessing efforts for the implementation of eGovernment services.

Interoperability is like a chain that allows information and computer systems to be joined up both within organisations and then across organisational boundaries with other organisations, administrations, enterprises or citizens.
It has three aspects:

- Technical interoperability, which is concerned with technical issues of linking up computer systems, the definition of open interfaces, data formats and protocols, including telecommunications;
- Semantic interoperability, which ensures that the precise meaning of exchanged information is understandable by any other application not initially developed for this purpose; and
- Organisational interoperability, which concerns modelling business processes, aligning information architectures with organisational goals and helping business processes to co-operate.

To achieve interoperability there is:

- The need for legal and administrative semantic / conceptual standards as a basis for interoperability of procedures, data formats and technology platforms;
- The need for shared, publicly accessible information models;
- The need for single identification keys.

**Back-office reorganisation**

eGovernment is the use of new technologies to transform Europe’s public administrations and to improve radically the way they work with their customers, be they citizens, enterprises, or other administrations. This requires profound reorganisation of the back offices of Europe’s public administrations and decision making bodies: structural transformation of procedures and cultural change within administrations:

- The need to address different administration cultures and different administration;
- Structures, powers and strategies which derive from distribution of power;
- The legacy of organisational structures, processes, skills, mindsets, culture, and the resistance to change;
- The need for building trust, collaboration and co-ordination of initiatives across government levels and agencies and across actors.

**Capability development and digital divide**

The need for the development of specific skills at both the organisation and the personal level within the administrations has to be recognised.

At the use side a number of social challenges emerge deriving from the current mismatch between demand and supply of eGovernment services for citizens, aggravated by the existing digital divide linked to other social, cultural and economical divides:
- The need to understand and address the diversity of user needs for services (at local, regional, national and trans-European levels), usability, personalisation and for access channels;

- The need for tools and mechanisms to monitor and guarantee user satisfaction;

- The need to address the digital divide to ensure eInclusion at citizen and business level. A particular challenge that the digital divide poses in the eGovernment context is that the most disadvantaged tend to have the lowest level of access to the internet, while having the highest need for interaction with government;

The need to ensure security of the infrastructure and data, protection of private data across agencies and actors, and the need to build citizens’ trust.