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## **PROBLEMS AND PROSPECTS OF LOCAL E-GOVERNMENT IN UKRAINE**

Author: Mariia Tyshchenko

Supervisor: Tomasz Grzegorz Grosse

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Ukraine has chosen the course towards European integration but one of the most important problems in national level is on the one hand the absence of strategy for development of information society and on the other hand the absence of strategy for bridging the digital gap. The main problem on the local level is citizens' lack of access to the internet and underdeveloped electronic government services provided by local authorities.

The level of computerisation public administration is the core metric of the national and social development. Efficient computerisation may help reduce the distance between Ukraine and the EU countries such as Poland. The government of Ukraine is currently facing major challenges regarding the creation of a national strategy for the computerisation, which will embrace areas of economic and social life which are central to the future growth and development.

Ukraine needs improvement of the quality of life of citizens by efficient implementation of information technology in the areas of e-government services, which is a pre-condition of forming of e-government in Ukraine. For Ukraine, planning of development of e-government is important experience of Poland which has already formed e-government and provided wide usage of its opportunities.

Over half (56%) of Polish respondents in 2007 were interested in contacts with establishments of local government over the internet, and 24.5 % citizens took advantage of such possibility.

## **1. Fundamentals of e-government**

Electronic government is a system of the controlled from distance grant of state informative services. Electronic government realises the function between citizens and local government. Efficiency of the work of public authorities is determined by the openness of government, which consists in the democratisation of relations between power and society, priority of rights and freedoms of citizens and rise in public trust for governments.

The establishment of electronic government comes in several stages (Fig. 1).

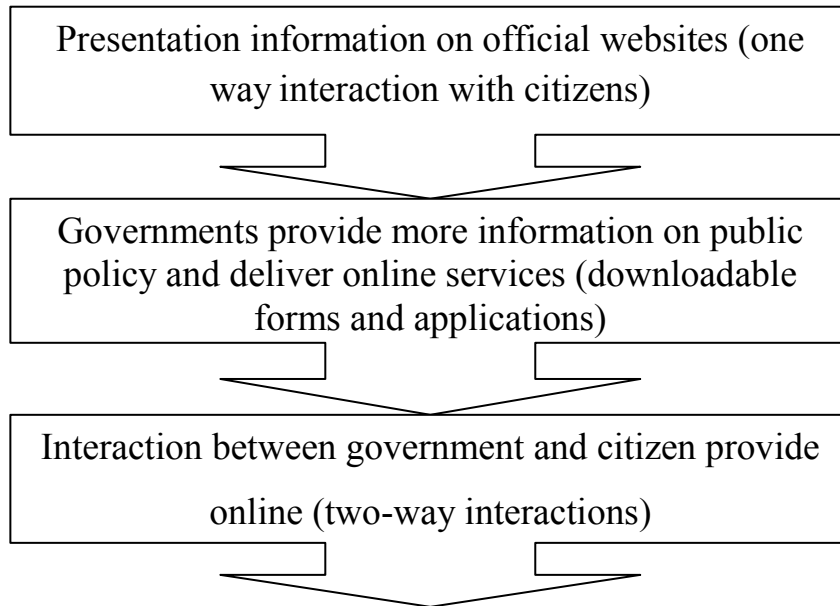


Fig. 1. Stages of development of e-government.

Ukraine is on the first level of establishing an accessible electronic government while Poland has already passed all the stages and provide services in two-way interactions.

The Public sector service delivery has evolved over time from the traditional model of government dispensing services via traditional modes to the emphasis on e-government and e-services to an integrated approach for enhancing the value of services to the citizen (Figure 2).

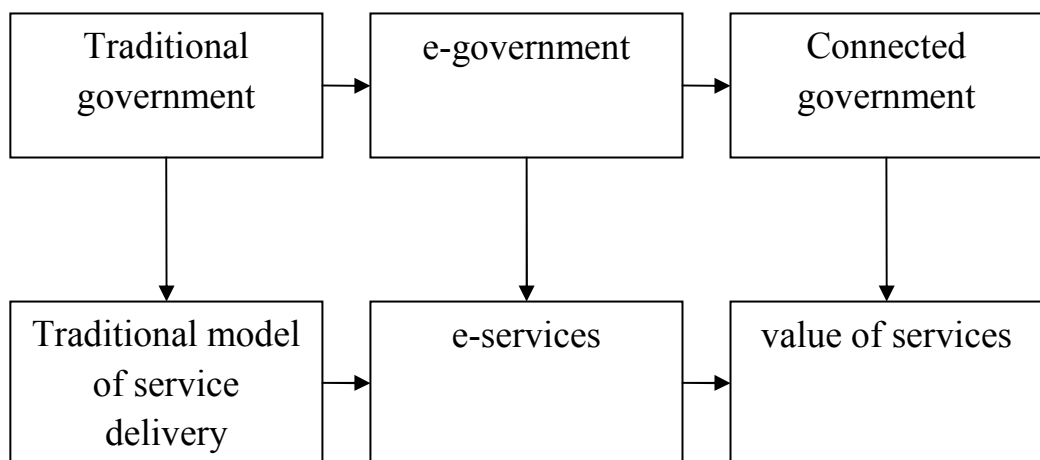


Figure 2. Evolving approach to public service delivery [2, p.15].

## 2. Three forms of e-government services participation

The forms of electronic government can be divided by its participants:

- G2G – «government to government»;
- G2B – «government to business»;
- G2C – «government to citizen».

In Poland, these forms have taken on the following content:

G2G–«government to government» services include: electronic collaboration in a custom, tax sphere. Government-to-Government is the online non-commercial interaction between Government organisations, departments, and authorities and other Government organisations, departments, and authorities. G2G–«government to government» systems are given by services public institutions. Coordination between provinces, gminas and districts, takes place due to a governmental portal.

G2B – «government to business» services are as follows: social contributions for employees; corporate tax: declaration, notification; VAT: declaration, notification; registration of a new company; submission of data to statistical offices; customs declarations; environment-related permits (incl. reporting); public procurement. Polish enterprises often use public websites: 53% of enterprises look for information at public websites, 56% enterprises - download forms from public websites (one-way interaction) and 56% of enterprises send back completed forms (two-way interaction) (Figure 3).

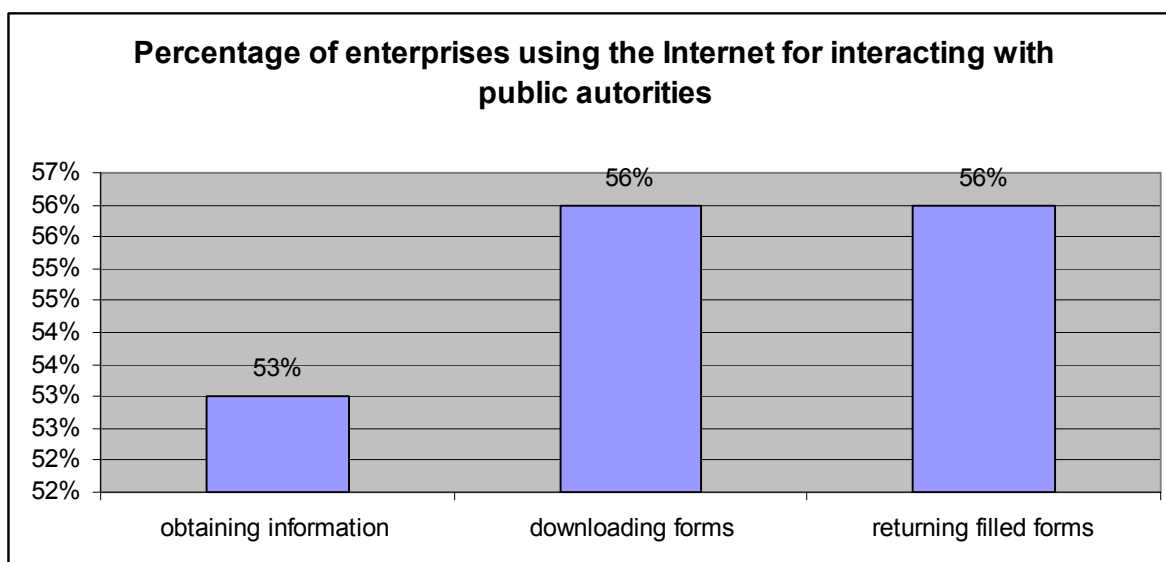


Figure 3. Percentage of enterprises using the Internet for interacting with public authorities in Poland (2007).

G2C – «government to citizen» services are as follows: income taxes: declaration, notification of assessment; job search services by labour offices; social security benefits; personal documents: passport and driver’s licences; car registration (new, used, imported cars); application for building permission; declaration to the police (e.g. in case of theft); public libraries (availability of catalogues, search tools); certificates (birth and marriage) request and delivery; enrolment in higher education/university; announcement of moving (change of address); health related services (interactive advice on the availability of services in different hospitals; appointments for hospitals). Polish citizens use public websites: 12.1% of people look for information at public websites, much fewer- 8.8% of inhabitants - download forms from public websites (one-way interaction) and only 3.6% of people send back completed forms (two-way interaction) (Figure 4). Polish citizens use public websites rarely but from year to year percentage of individuals using the Internet for interacting with local government growing very fast.

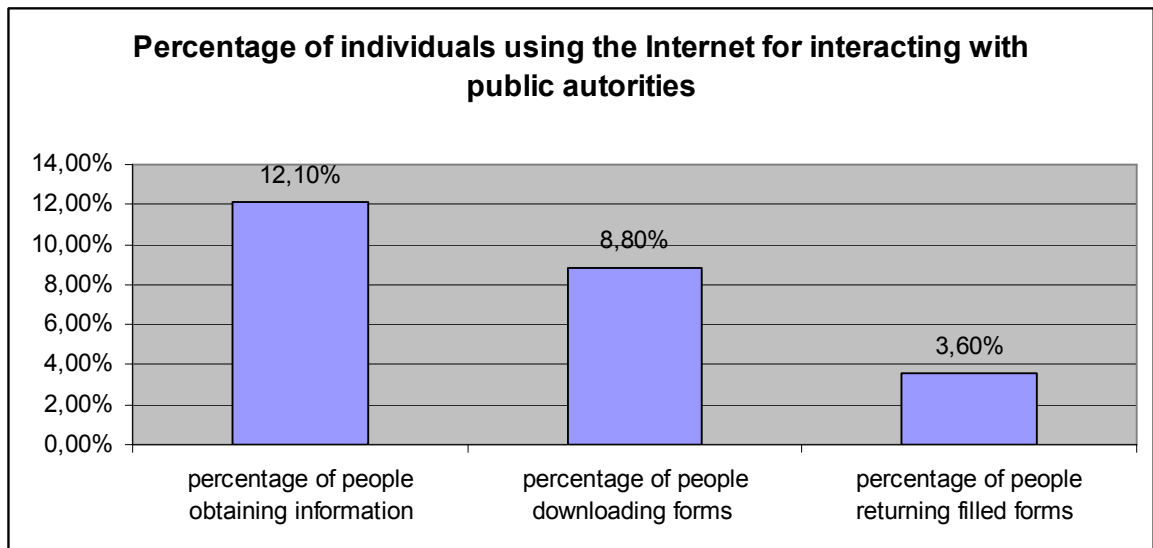


Figure 4. Percentage of individuals using the Internet for interacting with public authorities in Poland (2007).

### 3. Development of e-government in Ukraine

Ukraine lacks such developed electronic government services, which is seen as having a low position in Ukraine according to the E-Government Readiness Index of 2008 (Figure 5). This index focuses mainly on the ‘government to citizen’ (G to C) and ‘government to government’ (G to G) aspects of e-government. The e-government readiness index is a composite index comprising the web measure index, the telecommunication infrastructure index and the human capital index.

E-Government Readiness for Eastern Europe

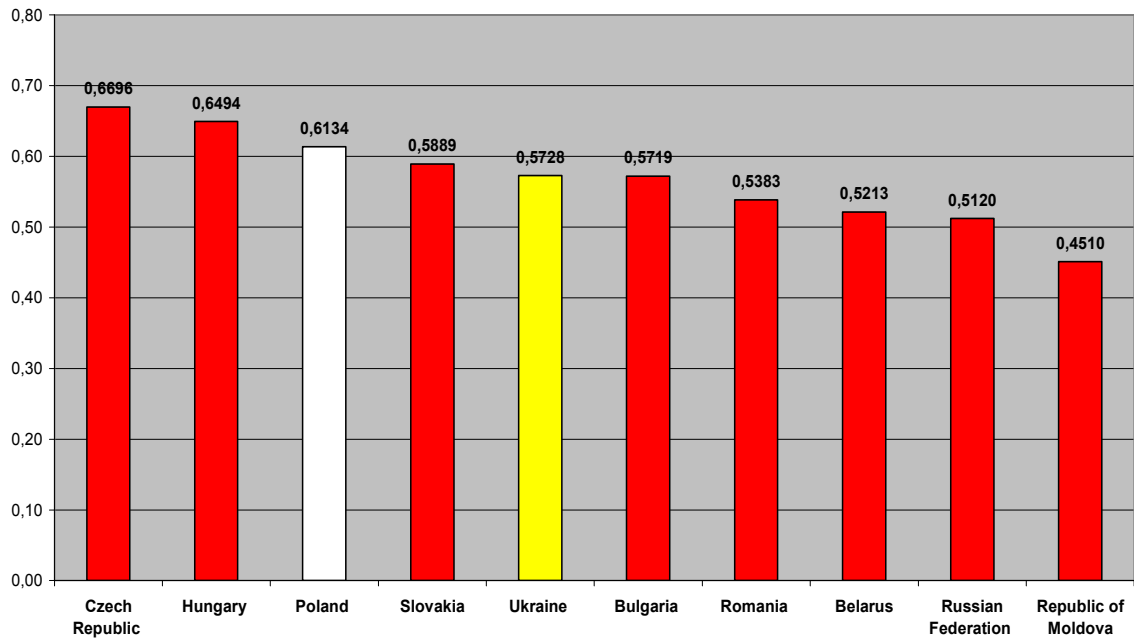


Figure 5. E-government Readiness for Eastern Europe.

Ukrainian local government must develop services in three directions: government to government; government to business; government to citizen.

#### 4. E-government legislation

Another fundamental aspect of e-government is national legislation. A comparison of main legal texts that influence the development of e-government in Ukraine and Poland is shown in Table 1.

Table 1.

<u>Ukraine</u>	<u>Poland</u>
Law “About information” adopted by Verkhovna Rada of Ukraine and went into effect in 30 October 1992.	The Act on Access to Public Information was adopted on 6 September 2001 and went into effect in January 2002. It allows anyone to demand access to public information held by public and private bodies exercising

	public tasks, as well as trade unions and political parties.
Law “Conception of the National program of informatisation” from 4 February 1998	The Act on the Protection of Personal Data was adopted on 29 August 1997 and subsequently amended three times in the course of 2004.
Law “About electronic digital signature” adopted on 3 July 2001 and went into effect in 1 January 2004.”	Adopted on 18 July 2002, the Act on Providing Services by Electronic Means entered into force on 10 March 2003.
Law “About electronic documents and electronic document appeal.” adopted on 31 May 2005.	The Telecommunications Law, transposing the EU regulatory framework for electronic communications was adopted in July 2004 and came into force on 3 September 2004.
Law “About Basic principles of development of informative society in Ukraine on 2007-2015.” adopted on 9 January 2007.	Adopted on 18 September 2001, the Act on Electronic Signatures was amended in 2004 and 2005 respectively.
Order of State tax administration of Ukraine “About presentation of the electronic tax accounting.”	A Law on Public Procurement was adopted on 29 January 2004 and entered into force in March 2004.
Order of the President “Measures on development of national constituent of global informative network. Internet and providing of wide access to this network in Ukraine”	Act on Computerisation of the Operations of the Entities Performing Public Tasks was adopted by the Sejm (lower chamber of Parliament) on 17 February 2005 and came into force on 21 July 2005. It grants both citizens and businesses the right to contact public authorities electronically.



## 5. Ukrainian digital gap

A large digital gap exists in five Ukrainian regions in terms of the indices of electronic government. This index describes the possibility to coordinate a public policy in the industry of information communication technologies. This gap is defined through many indices.

The telecommunication infrastructure index 2008 is a composite index of five primary indices relating to a country's infrastructure capacity as they relate to the delivery of e-government services. The penetration of Internet usage per 100 persons is an important index. Ukraine has very low internet penetration:

Country	Internet users per 100 persons
Poland	28,9
Ukraine	11,9

Ukraine displays a big digital gap between regions (Figure 6).

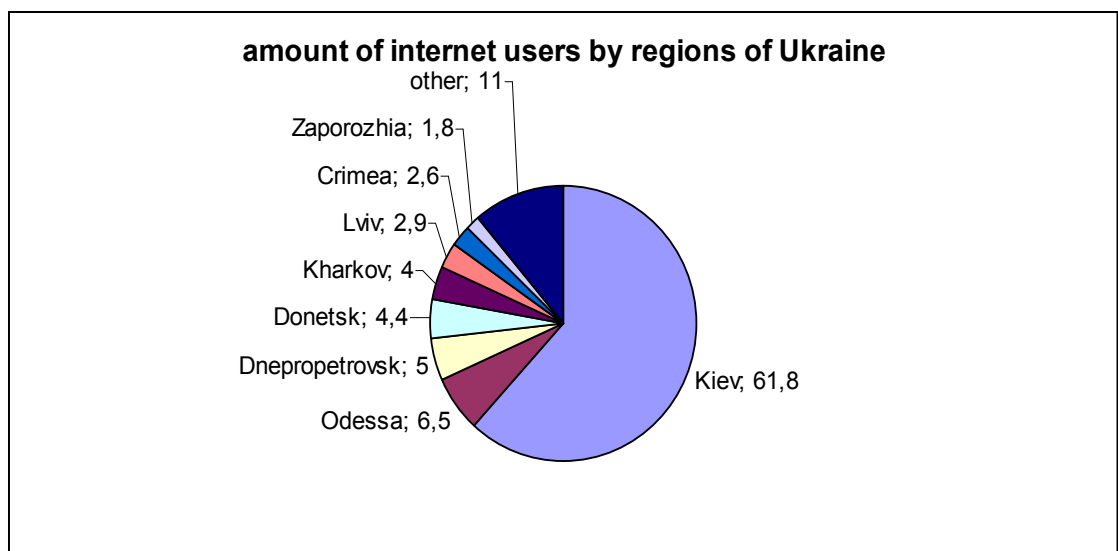


Figure 6.Amount of internet users by regions of Ukraine.

To solve this problem the state should create formal and practical opportunities for participation citizen in e-government interaction in all regions.

For this purpose Ukraine government has established a medium-run program “Electronic Ukraine” for 2005–2012 year which foresees:

- introduction and use of the newest information and telecommunication technologies to satisfy the information needs of citizens, society and the state;
- providing for development of the national part of the global network of the Internet and setting conditions for wide access of physical and legal persons to the information resources of national and global networks;
- improvement of mechanisms for sharing the analytical information resources of local self-government authorities;
- providing citizens with access to information about the activity of public authorities.

The program does not address main problem: absence of access to the internet by citizens, as there is no possibility at the local level to monitor the activity of local governments. The Ukrainian government must create a national strategy for the computerisation public administration which would include all administrative levels. Poland has already had a positive experience in the realisation of strategy «ePoland-The Strategy on the Development of the Information Society in Poland for the years 2004-2006» initially adopted by the Council of Ministers. In order to realize such a program in Ukraine, specific projects must be completed, realizing the objective, and focusing on the three areas of the above-described vision, parallel to the activities related to the Polish strategy.

Area A: providing all citizens and companies with affordable broadband and secure internet access. Action with the highest priority in Poland was provided for: broadband internet for schools – providing all schools with the broadband internet access, including the funds for its utilisation during classes and extracurricular activities; broadband internet in Public Administration – providing public administration units with the broadband internet access, enabling them to provide

public services by electronic means; access infrastructure--development of the telecommunication infrastructure and stimulation of wider access to the internet, including broadband, as well as publicly available access points at every administrative levels; information and communication infrastructure for scientific research-the development of academic computer networks; network security-security improvement and building confidence in the electronic communication.

Area B: development of diverse and valuable content and services available via the internet and digital audiovisual media. Actions that had the highest priority included:

- Gateway to Poland – increased efficiency of the public administration, accomplished by the relocation of public services, including public procurement, to an electronic platform;
- Poland’s Gateway to Europe – improved effectiveness of Poland in obtaining financing from European pre-accession funds, and following accession, from the Cohesion Fund and structural funds, as well as from the European programmes, and IT support for processes: identification of objectives suitable for effective financing, their selection, project management and monitoring; central administration databases – rationalisation of the maintenance of public administration databases, e.g. those related to citizens’ records, tax-payers, cars, convicts;
- Polish content on the internet – promotion of artistic activity and adaptation of the available content, including widely understood public information, for the publication on the Internet, realised among other channels via the Public Information Bulletin and the Polish Internet Library.

Other priority actions covered distant learning; telemedicine; electronic commerce; digital terrestrial radio and TV broadcasting.

Area C: common ability to use information and communication systems. Actions with the highest priority were:

- common ability to use a computer – ensuring that each secondary school graduate in Poland is able to work with a computer and benefits from using the internet;
- prevention of digital divide enabling the full participation in the information society of those who require additional training: the “medium-age generation” and the disabled, using e-learning methods, promotion of telework as a tool for the employment activation;
- developing the IT component of professional qualifications-supporting computer training of adults, with the particular attention given to training provided for the unemployed [3].

Polish example of realisation program «ePoland-The Strategy on the Development of the Information Society in Poland for the years 2004-2006» is useful for Ukraine because the creation of a similar program in Ukraine could solve problem of digital gap. The objectives of the Ukrainian strategy 2004-2006 of e-government must be:

- To provide affordable, fast, and secure Internet access to all citizens and businesses;
- To develop a broad and valuable range of on-line content and services.

## **6. Conclusion**

The use of information and telecommunication technologies in local e-government may produce significant benefits. Information technologies enable the government to conduct its activities in a manner that is more open and transparent for the population.

For effective work of electronic government in Ukraine it is necessary to make decisions on some tasks: create reliable internet network and unique computer-integrated depository of information that united all subsections of government of Ukraine; provide the grant of informative services of electronic

government in a sector «government to business» – systems (G2B) of distributing of government businesses, electronic tenders, providing of contact with tax, custom bodies, organs of state certification and licensing, administrations; G2C – «government to citizen» – systems of social service (pensions, social payments, privileges), system of public service, information services; G2G – «government to government»- electronic collaboration in a custom, tax sphere to attain two-way interaction.

Creation of local electronic government in Ukraine is difficult and lengthy task. It can be divided into such stages:

- I. The first stage foresees the creation of the Internet network and widespread provision of information for citizens. It is necessary to create a strategy for computerization in Ukraine along the lines of such program documents as “Computerization Development Strategy of Poland until 2013 and Perspectives for the Information Society Transformation by 2020”.<sup>1</sup>
- II. In the second stage, the governmental portal should provide a bilateral interaction (between governmental officials and citizens) through a governmental portal, allowing for integration of people, application systems, and processes for the improvement of service delivery and of cooperation with the voters. A good example for Ukraine could be the Polish model of National Computerisation Plan for the period 2007-2010. The project ‘Electronic Platform of Public Administration Services’ (ePUAP) is intended to electronically integrate all public registers and to furthermore provide an integrated platform supporting a number of interactive services for citizens and businesses, with user identification/authentication, electronic case handling and ePayments, when needed. The aim of ePUAP is to turn the concept of ‘Gateway to Poland’, adopted in 2002, into a precise and systematic plan to

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<sup>1</sup> Adopted by the Council of Ministers of Poland on 29 June 2005

introduce a full functionality of electronic service delivery at national level.

- III. In the third stage, a governmental portal begins to provide the necessary local government services to citizens. Functioning of the system is carried out in accordance with the concept of electronic government on the basis of the «on demand» principle thanks to the elimination of internal barriers and possibility of conducting work from any place and any time. As example: several of the Polish regions have their own computerisation strategies. For instance, on 4 September 2006, the Mazovian region became the first in Poland to have a regional strategy for the development of the Information Society – the Strategy for Regional eDevelopment of the Mazovia Region 2007-2013. This was also the first strategy in Poland to comply with the European Regional Information Society Association guidelines.

Therefore, the development of e-government in Ukraine will serve for creation of national strategy for computerisation (of what?) which will embrace areas of economic and social life which are central to the future growth and development.

The comparison of the main legal texts that influence the development of e-government in Ukraine and Poland shows that Polish Acts set up additional horizontal/infrastructure programmes for all sectors of Public Administration and establishes a common interoperability framework for IT systems in the Polish public sector. Ukrainian national legislation of e-government must be focused on:

- The standardisation and interoperability of Public Administration systems (minimal standards/interoperability frameworks);
- The front and back office integration of Public Administration systems;
- The supervision and supporting of IT projects in Public Administration, at both central and local levels.

## Literature

1. United Nations [i]Global E-Government Survey 2008[i]. The report is available at: [http://www.unpan.org/egovkb/global\\_reports/08report.htm](http://www.unpan.org/egovkb/global_reports/08report.htm)
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3. ePoland-The Strategy on the Development of the Information Society in Poland for the years 2004-2006 is available at: [www.epractice.eu/resource/290](http://www.epractice.eu/resource/290)