Bridging the gap
Case study
The European dimension of eGovernment
for national policy executing organisations
in the Netherlands

Evert J. Mulder,
Head European Affaires
Centre of Expertise, The Hague
The Netherlands
e.j.mulder@hec.nl

Abstract

Research on eGovernment pays hardly any attention on the European dimension and its impact on the way eGovernment is taking shape on the national level. In the Netherlands a case study is done with focus on the position of policy executing government organisation (pego's) in the European dimension. The study shows the European dimension has an important impact on the national level. This asks for effective implementation strategies from EU to executing levels in national states.

1. Introduction

"eGovernment" can be defined in many ways. If we look at definitions used by the OECD [10] and the EU [2] central elements are *the use of modern ICT* and the claim to *modernize and improve governments*. Implicitly the concept of eGovernment has a strong national connotation. Its scope, governance and impact is often seen as limited to the boundaries of a national state.

But more and more eGovernment on the national level has to take into account the European dimension. With the European dimension we mean the central institutions, the policies and the systems of the EU related to eGovernment, but also of the member states.

The integration of Europe has made much progress the last decades. The Euro and the open borders are just the top of the iceberg. On many other fields harmonisation and coordination of national processes takes place: customs procedures, exchange of geo-data, criminal records, educational degrees, drivers licenses etcetera. This means national government organisations have to work together with the govermment organisations of other member states. Information exchange plays a very important role in this collaboration between member states.

At the same time the European Union puts much emphasis on the modernisation of national administrations. Since the Lisbon-agenda eGovernment is a horizontal policy issue for the EU, with programs like eEurope 2002, eEurope 2005 and i2010. Also vertical EU-programs and regulations aim at modernizing government. For example the new Directive on Services [4] introduces an electronic single point of contact (SCP). This SCP is meant for cross border service providers, to handle administrative procedures with national government. Each member state has to integrate this

single point of contact with existing front-and back offices of government. This example shows how EU-policies can have a direct impact on national information architectures.

There is a lot of research in the discipline of European studies on the relationship between the EU and its member states in general [8]. But there are hardly studies done on this relationship in the field of eGovernment and the use of ICT.

In 2006 a study was done in the Netherlands [9], to explore the European dimension for policy executing government organisations (pego's). The study was done by request of nine large pego's. Under them the tax agency, the land register and the agencies for social security, pensions and student grants. These organisations experience a growing impact of the European dimension. To their own opinion they are not well equipped and prepared to participate in the European arena. In this paper we will present the results of this study. Before we do that, we briefly describe the context of eGovernment in the Netherlands.

2. eGovernment in the Netherlands

For the introduction of the context of eGovernment in the Netherlands we use a recent study done by the OECD [11].

Figure 1: Netherlands in Europe

Although the Netherlands is a rather small country, it has 16,3 million inhabitants and is very densely populated. Culturally the country is fairly homogeneous (only 17% other nationalities of which 9% are of non-Western origin). Politically there is al lot of debate about the Muslim population and the treatment of illegal foreigners. The Netherlands is considered one of the wealthier OECD countries (12th among 30 OECD countries). It has an open economy which depends heavily on foreign trade. The Netherlands have a strong digital infrastructure. The Internet penetration is very high, the same for the use of broadband.

The Netherlands has a decentralised governance structure with highly autonomous provinces (12) and municipalities (458). The governance culture is characterised by consensus and extensive consultations with stakeholders. This leaves limited formal possibilities for central steering and management of policy implementation. It also raises a number of challenges concerning co-ordination and collaboration, both horizontally across sectors and vertically between different government levels.

eGovernment development has, in the best Dutch administrative tradition, mainly been a decentralised activity with central encouragement. It has focussed on delivering better services to citizens and businesses and on achieving a reduction of administrative burdens (for businesses). This implies a narrowly defined emphasis on efficiency and effectiveness rather than a coherent approach on the transformation of the public sector as a whole through e-government.

In the Dutch eGovernment approach there is no structural attention for the European dimension. This fits in a broader picture of Euro-sepsis of Dutch politics and public. The no-vote against the new European Constitution in 2005 (together with France) is mainly seen as an outcome of this sepsis. But there is growing recognition that the EU is a strategic dimension for the national information architecture of the whole government. For example this is stated in the recently issued reference architecture for Dutch eGovernment [6].

3. The study

3.1. Research framework and methodology

The study focuses on the European dimension of the pego's. Various theories can be applied to these subject:
- Organisational theories, discussing the contingency between national and European strategies;
- Social theories, about decision making and influencing EU-processes from a national point of view;
- European theories, about the power relation between EU and member states;
- Economic theories, discussing business models for innovation with ICT on an European and national level.

For the study the following questions were asked:
- What is the European field of play for the pego's? What are the policy frameworks, institutional frameworks etcetera?
- What are relevant policy developments within the EU, with impact on national strategies for eGovernment?
- How do the structures for decision making of eGovernment in the EU look like? Where are opportunities for pego's to influence this decision making?
- What is the business case of the European dimension of eGovernment for the pego's ? What interest are at stake?
- What are strategies for the pego's to be successful in the European arena? How can they collaborate to implement those strategies?

The study was done by literature study (especially on the EU-context and developments). Further interviews (about 30) were held with civil servants and experts on the subject in Brussels and The Hague.

3.2. Policy executing government organisations (pego's)

Within the national eGovernment strategy of the Netherlands there is a major role for pego's. These organisations are front runners in innovation with ICT. They deliver services direct to citizens and businesses and use ICT heavily in all their work processes. New internet oriented technologies offer them many opportunities for further modernisation. The mayor pego's have therefore set up an informal platform (*de Manifestgroep)*, to coordinate their individual ICT-strategies.

As said in the context of eGovernment in the Netherlands, the Dutch have a decentralised governance structure. This means a rather autonomous position for provinces and municipalities, but also an autonomous position for pego's. Many pego's act more or less independent from their responsible department. This is the result of a rather strict separation between policy making and policy executing. This was established within the Dutch government structure in the 80's and 90's, when efficiency programs were implemented. In the current government practice there are about five hundred pego's active.

Pego's are liberated within the government structure. Between the pego's a further distinction is possible between internal and external liberation:
- Internal liberation means the pego still acts within the governance structure of the department, but has an autonomous position. These pego's are called *diensten en agentschappen.*
- External liberation means the pego acts not within the governance structure of the department. It has a yearly contract with the department about output and budget. These pego's are called *zelfstandige bestuursorganen.*

The liberation of the pego's is less far going than if they were privatised, like the Dutch Train Company or the Dutch Post and Telecom Company.

Pego's usually have no direct access to the decision making of the European Union. This is more or less the prerogative of the departments, who represent the national policies in the Union. Most pego's exchange information with their sister-organisations in other member states. This gives opportunities for a more or less informal lobby of the pego's towards the EU, but still, for an individual pego, the national policy level remains an important stepping stone to influence the European dimension.
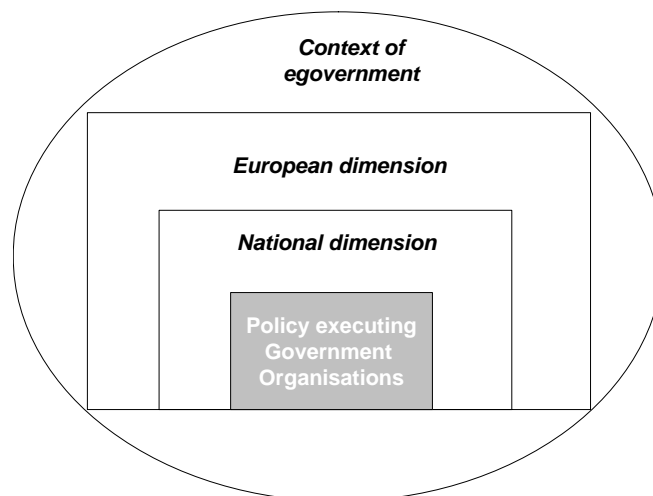

Figure 2: institutional dimensions influencing pego's

3.3. The impact of the European dimension for pego's

The European dimension has impact on the ICT-strategies of individual government organisations in several ways [9]:

- Policies for eGovernment:
First, since the Lisbon agenda the EU has developed a policy for eGovernment under the umbrella of Information Society in order to speed up the reform of the government institutions. The EU has only limited power on the field of eGovernment, because member states are sovereign in the way they organize their national administrations. As a result 'soft' instruments are used, like benchmarking, exchange of best-practices and action plans. In the recent EU-wide action plan [3] special emphasis is put on high impact services (like e-procurement) and key enablers for eGovernment (like cross-border identity management).

- Systems, standards and infrastructures:
Second, the EU develops more and more pan-European systems, standards and infrastructures, which national organisations have to adopt into their own information architectures. Examples are the new systems for border control (Schengen, Vis, Eurodac), the EU portals for labour (Eures) and for national information (Your Europe), and the new secure pan-European network for datacommunication (sTesta). There is also an European Interoperability Framework in preparation, which will be an important framework for further standardization of eGovernment [7].

- Directives and regulations:
Third, there is an increasing amount of EU-legislation that has consequences for information architectures of national governments. A good example is the already mentioned new Directive on Services, which prescribes a electronic single point of contact within every member state. A study for the Department of Trade and Industry [1] shows two scenario's for this single point of contact: "weak linking" and "deep linking". The second scenario leads to high costs (estimated €600 million) for reorganizing back-offices, but also high benefits (estimated €1,5 billion) because of reduction of administrative burdens.

- Best-practices:
Concepts and systems from one member state can be used in another. This prevents inventing the wheel twenty seven times and helps to cut costs and speed up the implementation of eGovernment. Especially the member states with high rankings in the eGovernment benchmarks are interesting partners to learn (and borrow) from. The replication of eGovernment solutions could be a viable strategy, now more systems are build with open standards and in open source.

In terms of the business case for pego's, the impact of the European dimension can be defined in three ways:
- *taking* the EU, where the main interest is efficient implementation of EU regulation.
- *sharing* the EU, where it comes to smart import of eGovernment concepts and systems of other member states, to speed up the own implementation and cut costs.
- *shaping* the EU, aimed at export of national concepts and systems to other EU member states.

In the study a number of examples were identified for each of the defined dimension:

Taking the EU	Sharing the EU	Shaping the EU
Implementation of the EU-directive Inspire (Infrastructure for Spatial Information in Europe). Inspire has a high impact on the standardisation of geo-data.	Replication of the electronic document maker of Denmark for the Dutch eGovernment implementation. This document maker is a technical enabler for the Dutch policy on e-forms.	Introduction of Dutch concepts of biometrics in EU-programs for market validation and cross border demonstration (eTen)
Implementation of the new EU-directive for drivers licenses. This means cross-border data-exchange between license registers.	Replication of the concept of key registers from Denmark. The implementation of key registers is now one of the corner stones in the Dutch strategy for eGovernment	Re-use of the system for animal registration of the agency for EU-regulations for farmers by other member states (UK, Turkey)
Implementation of the EU-program for e-procurement, meaning the introduction of an e-signature for businesses and a virtual company dossier.	The concept of the Cross Road Bank of Belgium has been studied by many Dutch committees, to see if this could be copied to the information architecture of Dutch social security.	Introduction of the concept of reduction of administrative burden during the Dutch EU-presidency in 2004. This is now a policy issue on the EU-agenda for eGovernment.

Table 1: taking, shaping and sharing the EU in eGovernment in The Netherlands

To summarize, the European dimension has an effect on:
- The innovation policy of the pego;
- The information architecture of the organisational chain the pego is working in;
- The architecture of the processes and systems of the pego;
- The standards for data-exchange to be used by the pego.

The interviews done in the study showed a clear understanding of the importance of taking the EU. This is also the result of some (financially) negative experiences the recent years in the Netherlands with implementations of EU-regulations. The dimensions of shaping and sharing caused discussion:
- The syndrome of "not invented here" makes it hard to import eGovernment solutions from other member states.
- Exchange of best-practices is not so much a technical affaire. Cultural, organisational and legal aspects make it complex to import a system from (or export to) another state.
- Why should export of eGovernment solutions be a task for government? Why should government take risks? What is the public or private value to gain?

This discussion makes clear that "shaping and sharing the EU" still have a way to go in the Netherlands.

3.4. Handicaps for pego's in the European arena

In the Dutch context, the pego's experience several handicaps for European excellence. Studies analyzing the general national coordination of EU-policies [5, 12, 13] concluded a gap between "Brussels" and "the Hague":
- Dutch government should be more pro-active. Nowadays the Dutch are hardly present in the Commisson-phase, where most of the decision making is prepared. Only when proposals come to the Council, the national coordination really starts to work and then it is often too late for influence.

- There is no strategic vision what Dutch government wants out of the Union. "Without a vision on the state, no vision on the Union and vice versa" [13]. If a small member state like the Netherlands wants to be successful in the Union, it has to have a vision of own priorities.
- The coordination of EU-policies is too burocratic and fragmented. The Dutch government has a decentralised structure, and this makes central coordination of EU-policies difficult. Especially involvement of pego's and decentral governments by the departments is a challenge.

Our study and others [14] confirm these general conclusions for the policy of eGovernment. Some specific remarks have to be made on the position of the pego's within national coordination of EU-policies on eGovernment.
- The separation between policy making and policy executing in the Netherlands has lead to a separation of knowledge. The representatives of the departments lack the knowledge of implementation and execution and cannot cover the interests of the pego's in the EU-coordination. Instead "monopolizing of Brussels" by the departments, a closer collaboration between departments and pego's will be needed.
- The decentralised coordination structure of the Dutch government also makes it difficult for a pego to find its way to Brussels, especially because of the horizontal characteristics of eGovernment. A pego falls under one ministerial responsibility and therefore is related to one department. But often the effect of a EU-policy is not restricted to one department.

3.5. A European strategy for pego's

To be effective in the European arena, the pego's have to go through different stages:
- To be aware of the European dimension;
- To know the European dimension;
- To formulate own priorities and strategies;
- To be able to act in the European dimension.

Some of the pego's in the Netherlands operate in policy areas that are traditionally highly influenced by Europe. Examples are agricultural subsidiaries, environmental protection and customs. For organisations active in those fields it is easier to find their way in the European arena. But other organisations have to start more or less from the beginning.

The study identified several instruments for pego's to professionalize in the European dimension, like monitoring the EU, training personnel, identifying priorities and developing strategies. Because the larger pego's already work together on information-architecture on a national level (*de Manifestgroep*), collaboration between pego's on a European eGovernment strategy looks favourable. Arguments pro are:
- Joining forces: in an Union of twenty seven member states it is hard for the Netherlands to have their voice heard. A joined effort on relevant topics of the pego's could be more effective than individual lobbies.
- Sharing resources: professional lobbying and influencing of the European institutions demands highly qualified personnel and a constant monitoring of EU-developments.
- Sharing expertise: some pego's have more European experience than others. Learning from each other can be a good way to improve the presentation of certain pego's in the European dimension.

- Sharing infrastructures: some pego's developed European infrastructures. For example the agency for social security has an international payment service. This can also be used by the agency for student loans, for international grants.

"Joining forces" is also the argument for pego's and departments to work together in the European arena. This means developing a triple strategy.
- For an individual pego it is important to develop the relationship with the own department for aspects of eGovernment in the vertical policy agenda. For example the agencies for social security have to deal with the Department of Social Affaires concerning ICT-aspects of European social security policies.
- At the same time the relationship has to be developed with the coordinating departments on eGovernment policies. In the Netherlands these are the ministries of Economic Affairs and the Interior.
- Also the bounds with sister-pego's in other member states have to be tied. This gives a good structure for exchange of best-practices and offers possibilities for EU-lobbies.

4. Concluding remarks

Europe is progressing, also on the field of eGovernment. This means national governments have to develop a strategy to absorb the higher impact of the European dimension.
The case study of the Netherlands focussed on the position of policy executing government organisations (pego's), because they are the front runners in ICT-driven modernisation.
The analysis showed that improvement of the national EU-coordination is necessary and possible. For pego's it is important to develop a European strategy. Critical conditions for success are collaboration between the pego's on a national level, between the pego's and the departments and between the pego's in different member states.

The case study of the Netherlands also showed the importance of understanding the relationship between the European and the national level on eGovernment. Only if this relationship is streamlined, "taking, sharing and shaping the EU" can take place. In an EU where, despite benchmarks, best practices and action plans, progress of eGovernment is still slow, this aspect should have more attention.

Further questions are still to be asked. Especially research on best-practices in other member states can be valuable: How do other countries organize national coordination and implementation of EU-policies and programs on eGovernment? How do they value dimensions like "taking, sharing and shaping the EU"? What differences exist between the old and the new member states? What variety is there in the organisation of policy executing in the different member states? What is the position of the larger policy executing government organisations? What strategies do they use to influence European policies?

Bridging the gap between the European and the national level demands answering these questions.

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