

The Citizens' Services



Nordic-Baltic R&D Programme
Citizen's Services

“Turning public-private outside in”

Version 1.0 2010-06-24



Background

Citizens are increasingly becoming eCitizens, actively using Information and Communication Technology (ICT) solutions in their daily lives.

This allows us to raise the expectations of services to be integrated in line with the connected citizens' needs in a networked society, rather than with the public institutions' needs for structure based on old models of ideal bureaucratic institutions. The demand for services developed from a citizen perspective is thus increasing, leading to a potential overlap between public and private sector services.

Public services in the Nordic and Baltic countries are known to be advanced and generally efficient. In these countries there is also rather high trust in government, compared to the rest of Europe and the world. But even today, even in these countries, the majority of services, public as well as private, are developed from the service-provider organisation's perspective, not the citizens'. The Nordic and Baltic countries have several commonalities in their government infrastructures, owing to a common and shared history. There are several reasons for maintaining this commonality and to further develop it, and there are several other initiatives to strengthen the cohesion of the region¹:

- Increased mobility of citizens in the region
- Increase intraregional business
- Lowering costs of public services
- Strengthen the regions competitiveness

The basis of this proposed joint programme - entitled "**Citizens' Services**"- is a result of the NORIA-net project *Citizens' Services* funded by NordForsk during 2008-2009.

Furthermore, underlying the decision to make this a common programme rather than undertaking initiatives in the individual countries involved, or at the EU level, are considerations that a common programme offers, among other things:

- Opportunities to learn from each other
- Faster and wider adoption of results
- Increased possibilities for commercialization of results, exporting expertise in this area to other countries throughout the world
- Operating with larger resources, offering possibilities for a wider spectrum of topics
- Increased possibility to reach critical mass in the individual projects
- Opportunities to establish internal networks of similar R&D projects in the region
- Strengthen the region as a player in the EU

¹ For instance VASAB www.vasab.org

1 Research needs in the Nordic Baltic countries

The Nordic-Baltic countries are well developed in having large number of electronic services. Therefore, a common agenda for the countries are to improve the efficiency of both new and existing services. A key part of the efficiency is how well these services support the citizens, and which will affect both the experience of the citizens and the uptake of e-service usage. This in turn will deliver increased internal efficiency of service providers as well as the countries' general level of ICT usage and education.

1.1 Challenges (for more details please see Annex 1)

1.1.1 Turning service development towards the citizens

1.1.2 Government Structures and Culture

1.1.3 Common Infrastructures and security

2 Objective of the programme.

The programme has the objective to reach a more effective and citizen-centric public administration in the Nordic-Baltic region. The goal for the programme is to develop useful and effective national public e-services for the citizens.

The calls are funded through a common pot provided by the funding partners. The first Call will be administrated by VINNOVA. The national funding organisations will jointly provide funds of up to 20 500 000 NOK 2010-2013. Programme conferences can be arranged to support the knowledge transfer and networking building between the projects and for dissemination of project results.

3 Implementation of the joint programme

To reach the goals about a more effective public administration and useful national public e-services for the citizens there have to be changes of perspectives from the organisation aspects to the needs and value for the citizens. The e-services should also be developed in cross-organisational cooperation.

The programme will be implemented by financing projects through evaluation processes in two separate calls for proposals, planned for 2010 and 2011. The first call includes short networking and study projects with the role to carry out research in the second call or other research programs, where the funded projects are planned to have a duration of three years.

The programme will support projects in the field of;

- Service development from the perspective of the citizens' needs

- Research projects with focus to create new knowledge for service providers; both public and private. This knowledge, about citizen´s need, development in the public administration, service innovations, should be possible to use to develop useful citizens services.
- To increase the cooperation and knowledge transfer between the public and the private e-service sector. This has to be done in consideration of intercultural aspects, differences in public administration and economic aspects in each participating country.

3.1 Operation of a joint programme

Nordic-Baltic collaboration in funding requires a Steering Committee formed by representatives from those partners from NORIA-net Citizens' Services project who have signed the MoU and will be extended with new members if and when further join. All members of the NORIA-net project whom have not signed a MoU have status as observers in the Steering Committee. VINNOVA will take on the Programme Secretariat administrating the Citizens' Services programme for the first Call. Discussions will take place with NordForsk regarding Programme Secretariat for the planned second Call.

However, the participation and experience of NordForsk as a funding partner, and as a member of the Steering Committee, is furthermore of crucial importance.

The secretariat will have the operational responsibility for the application and evaluation procedure and for running and follow-up of the programme, as well as administration of the common pot. The procedure will be governed by the Steering Committee. The proposal evaluation and allocation of support will then be a task of the Steering Committee, assisted by the programme secretariat.

The countries, who contribute with funding to the common pot for each call, might be a different group from call 1 and call 2. Countries are invited to join the second call even if they do not join the first call.

3.2 Evaluation criteria for Nordic-Baltic collaborative project:

- Duration of the project: 6-36 months – call one 6-12 months, call two 36 months.
- Consortium composition of at least three (3) independent, eligible organisations (legal entities – businesses, research institution, public administration and non-governmental organisations) established in the partner states of this Joint Programme, from a minimum of three (3) different partner states. The consortium should include at least one Baltic and one Nordic country.
- The consortium should include researchers as well as public and/or private entities (preferably SMEs) in the Nordic-Baltic region and/or citizens and enterprise associations, namely
 - a) University or research institute,
 - b) Public authority, municipality or county council,
 - c) User organisation,
 - d) Service provider company

The project leader can also be a public administration who has the possibility to take care/implement the project result. The projects should be of networking character and support the cross-border cooperation.

- The grant will be distributed according to the budget of the project. Research institutions' and public bodies' participation may be funded up to 100 % of their budget.
- Two calls for proposals. First call for networking projects, second call full projects. The aim of the first call is to establish networking projects and the role of network to carry out research through the next call.

The Citizens' Services Joint Programme may, in exceptional cases, decide to deviate from these guidelines for a project proposal of very high quality and relevance.

4 Budget and resources

The programme will have a total budget of 20,5 Million Norwegian Crowns (MNOK) of the period of 4 years. Within the programme, two calls are planned to match the funding and the interest from joining organisations. The first call will play an important role in mobilising and raising awareness. It is likely to attract a higher degree of applications and applications of higher quality for the planned second call. The funding partners plan to carry out calls during 2010 (call1) and 2011 (call2).

Indicative budget for the projects 300 -400 MNOK in Call 1 and 2-3 MNOK in Call 2.

The total budget will be set by the sum country contributions distributed according to GDP. The main part of these will go to funding networking projects and R&I projects (see Table 2). A smaller part of 150 000 NOK will be used for external review experts, travel costs for physical decision meetings and seminar arrangements. Telephone conference meetings will also be used. Each partner organisation will assist with working hours for representatives to fulfill their obligations in the steering committee and assist as project officer to the projects most related to the own country and organisation.

4.1.1 Funding

The programme resources needed, will be covered by funding country organisations. In addition, there are ongoing activities to collect additional funding from non-partner organisation. As part of the budget NordForsk will provide top funding for stimulation of Nordic cooperation with the Baltic countries. Contributions from NordForsk will increase the funding and policy value of the programme, accommodate and reduce partner risk taken in the set up of a common pot and, not the least, contribute to *pioneering and strengthening Nordic-Baltic joint developed and funded activities*. Thus, a top-funding will have the effect of consolidating the coordination and Nordic-Baltic joint programme.

The pool for funding will be set up as a common pot with contributions distributed according to an average value of country's GDP (see Table 1). The relation between the different partner organisations might be adjusted depending on which organisations that actually will

contribute to the pot. Only countries with budget contribution will have stakeholders funded by the programme.

The budget will be distributed over the four year programme period 2010-2013.

The figures in table 2 below shows the original goals set for the funding of the common pot given a contribution from all partners in the original NORIA-net project. The consortium of funding partners, the national amounts and total funding available for the projects in call 1 has been negotiated and is agreed upon in a signed Memorandum of Understanding for the call and in a financial contract between the funding partners and the programme secretariat.

The budget for call 2 will also be negotiated in the future programme work. Thus, the partners and figures in table 2 are only illustrative as a point of departure for the future work with call 2.

The common pot will work on these principles:

- Return based on evaluated project quality and participation
- Representation of at least 3 countries in each project proposal will enhance a fare share distribution of funds
- Contribution by country key according to for instance size of GDP (2 % to 40+ %)

Distribution Key based upon GDP (Source: IMF 2007)

Country	Ratio (%)
Estonia	2,2%
Iceland	2,1%
Latvia	2,9%
Lithuania	4,0%
Norway	41,1%
Sweden	47,7%

Total 100,0%

Table 1: Tentative budget distribution for funding partners according to GDP (Source IMF 2007). No national contributor is supposed to contribute with more than corresponding figures in the tables. This implies that the total budget might need minor updates within Programme Description. Variations may appear, according to which countries decide to join each call, and also if other funders join the programme.

Call 1 Indicative funding project partners (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Estonia	2.2%	75				75
Iceland	2.1%	71				71
Latvia	2.9%	99				99
Lithuania	4.0%	136				136
Norway	41.1%	1 397				1 397
Sweden	47.7%	1 622				1 622
Total	100.0%	3 400				3 400

5 Call 2 Indicative Funding project partners (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Estonia	2.2%		125	125	125	375
Iceland	2.1%		120	120	120	360
Latvia	2.9%		165	165	165	495
Lithuania	4.0%		228	228	228	684
Norway	41.1%		2 343	2 343	2 343	7 029
Sweden	47.7%		2 719	2 719	2 719	8 157
Total	100.0%		5 700	5 700	5 700	17 00

Total Indicative Funding project partners (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Estonia	2.2%	75	125	125	125	450
Iceland	2.1%	71	120	120	120	431
Latvia	2.9%	99	165	165	165	594
Lithuania	4.0%	136	228	228	228	820
Norway	41.1%	1 397	2 343	2 343	2 343	8 426
Sweden	47.7%	1 622	2 719	2 719	2 719	9 779
Total	100.0%	3 400	5 700	5 700	5 700	20 500

Table 2: Joint programme budget divided during the programme period. Variations may appear, according to which countries decide to join for each call, and also if other funders joins the programme.

5 Effect goals-results

The results are expected to come in closeness with the activities in the projects. The results will come as new networks, reports, proposals for prototypes of new public services for the citizens and processes.

- The effect goals will:
- -strengthen the regional Nordic-Baltic network between researchers, practitioners and industry
- -propose citizen centric public e-services driven by needs and with a more active interaction by the citizens in the use as also in the development of the service.
- -give service providers, private and public, new knowledge about how to develop services with a greater knowledge content and higher use.

6 Outcome

The outcome will include the logic steps on the path to planned, overall, long term effect goals. By this process the outcome might be seen as a form of milestones.

- Implementation and businesses (commercialisation) of new services
- Knowledge transfer in and between sectors and nations

- Reinforced effectiveness and confidence in relevant public administration on the national, regional or local level etc
- Policy impact in the eGovernment field, nationally and within the EU.
- Cooperation and preparations for the possibilities to apply for grants from Nordic and EU programmes.

7 Analysis of effects

During the programme period there will be a follow-up and evaluation of the projects and other activities in order to see how the goals have been reached. After ending of the programme the plan will be to evaluate how successful the programme has been. The evaluation will be made in contact with the project groups and stakeholders who develop and implement the e-services and other user groups. After a longer period there might be possibilities to analyse which citizens' services that have been developed by looking into annual reports in the Public Administrations, how many services and about their use.

Annex 1 Funding tables incl all Nordic and Baltic countries

Country	Ratio (%)
Denmark	20,7%
Estonia	1,4%
Finland	16,2%
Iceland	1,3%
Latvia	1,8%
Lithuania	2,5%
Norway	25,9%
Sweden	30,2%

Total 100,0%

Call 1 Indicative Funding (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Denmark	20,7%	703				703
Estonia	1,4%	48				48
Finland	16,2%	551				551
Iceland	1,3%	44				44
Latvia	1,8%	61				61
Lithuania	2,5%	85				85
Norway	25,9%	881				881
Sweden	30,2%	1 027				1 027

Total 100,0% 3 400 3 400

Call 2 Indicative Funding (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Denmark	20,7%		1 180	1 180	1 180	3 540
Estonia	1,4%		80	80	80	240
Finland	16,2%		923	923	923	2 769
Iceland	1,3%		74	74	74	222
Latvia	1,8%		103	103	103	309
Lithuania	2,5%		143	143	143	429
Norway	25,9%		1 476	1 476	1 476	4 428
Sweden	30,2%		1 721	1 721	1 721	5 163
Total	100,0%		5 700	5 700	5 700	17 100

Total Indicative Funding (excluding NordForsk contribution)

Country	Ratio (%)	Contribution (kNOK)				
		2010	2011	2012	2013	Total
Denmark	20,7%	703	1 180	1 180	1 180	4 243
Estonia	1,4%	48	80	80	80	288
Finland	16,2%	551	923	923	923	3 320
Iceland	1,3%	44	74	74	74	266
Latvia	1,8%	61	103	103	103	370
Lithuania	2,5%	85	143	143	143	514
Norway	25,9%	881	1 476	1 476	1 476	5 309
Sweden	30,2%	1 027	1 721	1 721	1 721	6 190
Total	100,0%	3 400	5 700	5 700	5 700	20 500

Annex 2

Challenges

1. Turning service development towards the citizens

A major concern is how to find out what the citizens want. Several factors were pointed out:

Citizens are diverse. There are differences in behaviour, expectations and ideals between different groupings. The most often recurring grouping is age – young, middle aged, and elderly – with younger persons perceived as more proficient and demanding with regards to services in general and electronic services in particular. Age also influences various service needs: younger persons require education and housing; and middle-aged persons often have families, generating needs for schools, healthcare, etc. The newly retired should be separated from the higher age groups, as people in their sixties and early seventies are now generally both healthy and active. The increasing group of 80+ requires extensive health treatment and daily care.

There are also differences between people with different levels of education, technical skills and other factors that compound the challenges of determining useful citizen needs and wishes. Combined with the wide variety of public services, this is a major challenge.

Citizens are distant from the developments of services. This makes the participation of citizens, which is deemed necessary, difficult to organize and make productive. There are few established forums and methods for citizens to participate in the design and development of services. Many citizens do not use the services that already exist – either due to not being aware of them or for other reasons – which challenges evaluation of existing services.

The citizens don't know what they need. In general, citizens do not spend a lot of time thinking about new services, and simply asking them what they want is subsequently of little value. The diversity of services and the way in which needs change over time make it difficult for citizens to clearly express their ideas, as their experience with any particular situation is minimal. Typically, citizens only have a few children, only build a house once, etc. The service developers also express a need for broader idea identification, wanting an influx of ideas that does not originate solely from public services.

5.1.1 Government Structures and Culture

Government structures do not support citizen centricity. The notion of citizen centricity has many far-reaching implications for service-providing organisations, especially government and other public sector organisations but not limited to these. There are many different types of structures that are designed from an internal government perspective and therefore ignore, or even hinder, citizen-centric services. The perception of each organisation and department as a “silo” is recurring, implying that existing services are designed as monoliths, optimized from an internal perspective, while citizens’ needs cut across several silos.

These silos create barriers from several aspects; the key ones are:

- *Laws regulating the activities of public organisations:* Government organisations’ activities in particular are regulated by law. These laws are not usually designed

from a *service* perspective and therefore may effectively block citizen-centric service approaches even though this was not the intention.

- *Financial issues concerning cross-organisational services:* The budgets are often set based on political negotiations and it is perceived as difficult to make joint investments. This is especially problematic in public-private partnerships, where the flow of funds between public and private organisations is both culturally and legally challenging.
- *Collaboration between central and local public services (for instance, between national agencies and city councils):* There is a lack of collaborative tradition between national government agencies and local city councils. The differences in size, resources and agendas between organisations make practical joint services difficult to achieve.
- *Flow of information between institutions:* Traditionally, legal and technical implementation, aggregation and sharing of information between different organisations become a larger barrier than often expected.
- *Overall coordination of electronic services, especially from the national perspective:* It is perceived that a national coordination of electronic services would greatly benefit development. This would make prioritization explicit and increase awareness of ongoing efforts and initiatives.
- Fragmented service development by small entities addressing complex requirements leads to competition for improvement budgets.
- There is a need to change attitudes.

The service developers express a need for new leadership on several levels – political, management and with the individual civil servants. There is a lack of incentives for horizontal collaboration and cross-organisational collaboration, especially concerning collaboration between public and private organisations.

There is also a need for new and appropriate:

- *Change management:* The processes for implementing changes in the public sector could be improved. The tradition is more focused on stability than change.
- *Project management:* The current project management approaches are perceived as insufficient for the challenges at hand. The narrow focus on production according to specifications could be expanded to cover design and implementation in a dynamic, multi-stakeholder situation.
- *Service development approaches:* There is a general lack of approaches to service development. According to client experiences, IS development approaches and other methodology are not sufficiently addressing the aspects of service development.
- *Understanding of the values of information and services:* There is a lack of tools for measuring the financial values of new services. The major focus is often on cost. For instance, the financial gains from shifting from document-based services to electronic services – viewed over time and in the dynamics of increased service developments – could be greater than what is generally perceived today. This is considered a key issue in increasing awareness of the benefits of electronic services on all levels of government.

5.1.2 Common Infrastructures and security

The establishment of several common infrastructures is perceived as crucial, both to the development of services and the uptake of services used:

- *A common system for identification of citizens and organisations:* Even in countries where such systems exist, such as Estonia, it has been reported that the systems are not often used in services. This may indicate that the establishment of a common identification system is not in itself enough. There is also a need for further research in the use of digital signatures.
- *Behavioural changes:* It had been experienced that digital signatures require and inspire behavioural changes among citizens and service providers. These have not yet been explored in any useful manner.
- *Legal issues:* There are many unresolved legal issues regarding the practical and easy use of digital signatures.
- *Ease of use:* To be widely used, digital signature systems must be easier to use, both for citizens and for service developers. Selections of digital signature systems are usually based on technical or security considerations, instead of on the situations in which citizens are to use them.
- *System support and the possibility of a European standard:* National and international support for digital signature is viewed as a key enabler. This also includes the concept of an official electronic address that would provide the ability to reliably send electronic communications to all citizens.
- *There is a need for further investigation of the relationship between personal data protection and service ease-of-use:* The situation today is that high security means less usage; an undesirable correlation. The citizens are concerned with integrity, while at the same time, demanding accessible, easy-to-use services. Citizens' varying notions of integrity, trust and security are not sufficiently defined or understood to support the development of break-through technology or services.
- *Interplay between different channels:* Citizens often access services through various channels – the Internet, cellular/mobile phones and landline/fixed phones – and from offices. Sometimes a citizen will prefer different media or channels for dealing with various aspects of the same matter. There is a need to improve understanding of how the interplay between channels makes the services coherent, attractive and simple from the citizens' perspectives. This also includes new types of electronic services, such as “silent” services that are carried out automatically on behalf of the citizen, requiring little interaction.

Possible foci for pilot projects:

- The project is calling for research on and analysis of what possibilities there are to manage the development of ICT, by redesigning the regulatory system or base, and or by introducing and promoting new norms, or operational standards on the activities of public organisations.
- Better ways of handling technology, including open standards. Methods to implement and facilitate uptake of new technology into the management systems and creating a common gateway into all public sector information systems.
- Organisational element in the governmental sector, regulations and laws concerning the interactions and collaboration of the citizens, companies, organisations and governmental bodies.
- Recommendation best practise and ideas needed to bridge the financing and management gap between countries organisations and companies. Financial issues concerning cross- organisational services.
- Processes / methods or structure of cooperation, tools to manage and coordinate the different information systems, processing and management tools in different organisations and industry. Increase the interoperability of different information systems. Enabling information retrieval from interacting information systems. Methods to process retrieved data.
- The project should analyse and design methods of cooperating changing behaviour: Managing changes and implementations of new methods of managing information. Educating and training late users in applying the technology.
- The project should recommend how to adapt the interface to the need and habits of the late users.
- Conditions of usage are are clarified on behalf of the users. Knowledge on favourable and hindering conditions for eGovernment usage is established.
- Methods /surveys are developed and tested to assess the publics´ needs concerning e-services, and to evaluate the benefits of e-gov services