LOCAL E-GOVERNMENT IN ROMANIA. A SURVEY

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Abstract
The paper proposes to approach the latest developments in the local e-Government field in Romania, from a critical point of view, taking into account the national e-Government strategy and the eEurope benchmark indicators and achievements, trying to highlight some possible directions to follow. It also proposes a survey of all the counties’ and other local authorities’ websites from the perspective of the e-Government stages and specific indicators.

Introduction
Romania has made in the last few years notable progresses in the ICT field and also in implementing e-Government. Some Romanian (pilot) projects were even very appreciated at international and European level. However, there is still a lot to do, both at national and local level, but especially at local level, for complying with the eEurope (+ or 2005) indicators.

Chapter 1. Miscellaneous facts and figures concerning ICT and e-Government developments in Romania
Here there are some facts and figures that show facets of e-Government:
- In 2003 was created The IBM Centre for e-Government together by the IBM and Polytechnic University Bucharest for research projects concerning e-Government;
- In Romania there are now over 2.2 millions Internet users (about 10% of the population), comparing with 2%, just five years ago;
- The number of “.ro” domains tripled in the last two years (reaching about 50,000);
- More than 280 companies acts as ISPs;
- It is possible the on-line registration for the admission exam in University (example: http://www.utcluj.ro);
- It can be realised the on-line filling of documents for divorce (http://www.divort.ro).

On the other hand, we must analyse the progresses made in Romania not only comparing with last year, but also comparing with the EU indicators (EU 15 and EU 25); in this case, we will realise that some indicators that almost doubled in very short time still has values much below the average and if we placed the ICT sector as a priority one, the other EU countries did the same, and every year are investing a lot in this field.

Table no. 1. ICT indicators in 2002 in Eastern Europe countries compared with the EU 15 averages3

<table>
<thead>
<tr>
<th>Indicator</th>
<th>EU 15</th>
<th>Bulgaria</th>
<th>Czech Republic</th>
<th>Hungary</th>
<th>Poland</th>
<th>Romania</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of main telephone lines per 100 inhabitants (%)</td>
<td>54 (1)</td>
<td>37</td>
<td>36</td>
<td>36</td>
<td>30</td>
<td>19</td>
</tr>
<tr>
<td>PCs per 100 inhabitants (units)</td>
<td>31 (2)</td>
<td>3.5</td>
<td>14.7 (2)</td>
<td>10.8</td>
<td>8.5 (2)</td>
<td>3.6 (2)</td>
</tr>
<tr>
<td>Internet hosts per 100 inhabitants (%)</td>
<td>4.1</td>
<td>0.4</td>
<td>2.2</td>
<td>1.7</td>
<td>1.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Internet users per 100 inhabitants (units)</td>
<td>35.7</td>
<td>7.5 (2)</td>
<td>14.7 (2)</td>
<td>15.8</td>
<td>9.8 (2)</td>
<td>8.1</td>
</tr>
</tbody>
</table>

Legend:
(1) Year 2000
(2) Year 2001

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Chapter 2. e-Government progress in Romania

2.1. Legal framework concerning e-Government in Romania

In the last years (especially after year 2000) was created the entire legislative framework concerning the implementation of e-Government in Romania, but also, generally, for encouraging the ICT, the use of Internet or e-commerce. Here there are the most significant regulations in the field:

- Law no. 455/2001 on electronic signature;
- Law no. 365/2002 on the electronic commerce;
- Law no. 161/2003 (Anticorruption Law) - that includes stipulations concerning the transparency in information management and public services’ administration through electronic means, e-procurement and also stipulations for preventing and fighting cyber crime;
- Government Decision no. 1173/2003 concerning the electronic assignment and distribution of authorisations for international road transport of merchandise;
- Government’s Emergency Ordinance no. 93/2003 for voting through electronic means at the national referendum for Constitution’s revision;

Beside those regulations, the Government (the Ministry of Communications and Information Technology) is preparing two very important projects of law, from the public administration’s point of view: a standard for the public institutions’ web pages (design) and the framework for the interoperability.

Unfortunately, some of these regulations, that stipulated compulsory measures for local public administration institutions did not included at the beginning also sanctions for not complying it. For example, as we will see, according to the Law no. 291/2002 (regarding the electronic payment of local taxes), the local public administration authorities had to implement the e-tax system until certain dates. Several months after the deadline, a lot of local authorities did not complied the law and not implemented the system. Only very recently, after repeated press signals, the Government issued a new regulation, which included sanctions (fines) for the authorities that are not respecting the law and does not offer fully functional e-tax systems.

2.2. e-Government success stories in Romania

2.2.1. e-Procurement

The Electronic System of Public Procurement (www.e-licitatie.ro), functional since 4th of March, 2002 based on Government Ordinance 20/2002 (public acquisitions through e-procurement) is the most successful and most known Romanian e-Government project, appreciated not only by the users, but also at international level.4

E-Procurement contributed at the simplification of the contact between the business environment and the administration and allowed an efficient public funds management. Other advantages of the success of the Electronic System of Public Procurement are:

- reduce budgetary expenses;
- increase the transparency in the governing process;
- allow efficient and transparent public acquisitions;
- correspond to the European requirements concerning public procurements;
- changes the mentality and the culture in public institutions as well as the perception of the citizen;
- encourage the development of e-commerce.

Facts concerning e-procurement:

4 For example, the Bulgarian Minister of State Administration, Dimitar Kalcev declared in May 2003 in a forum dedicated to public administration problems that intents to inspire himself from the Romanian experience in the field of projects and legislation, but especially is interested in e-procurement. In Como, Italy, in 2003, at a European e-Government conference, the European Commissioner Erkki Liikanen appreciated www.e-licitatie.ro and was catalogued as an example of good practice.
• in one and a half year, more than 145,000 auctions concluded and more than 2,008 billions lei in savings (in average, 23% comparing with the start value, but there were auctions with more than 48% in savings);
• now, there are registered users more than 1,000 contracting authorities and 8,287 suppliers;
• the average number of price changes in an auction is 21;
• in the next three years, the savings are estimated at about 750 millions of euro.

Figure no. 1. Appreciation of the system, from the users’ point of view

Percentage of suppliers that appreciate that the system reduces the bureaucracy

Percentage of suppliers that appreciate the system’s contribution in reducing corruption

Percentage of authorities that appreciate the system’s financially efficiency

2.2.2. The Electronic System for Assigning International Road Transport Authorisations

The system, created based on the Government Decision 1173/2.10.2003 is available since 2003 at http://www.autorizatiiauto.ro and only in the first three months of 2004 distributed 96,231 authorisations for the 1,725 companies registered at the Romanian Road Authority. Taking into account these numbers, it results the utility of such a system for the companies involved, but also for the Ministry of Transports.

On the other hand, the system is not yet fully developed: for example, the fill-in for the 7 forms available for download on the website is possible only off-line (even if the companies registered in the system has digital certificate) and the payment for the authorisations can not be realised on-line, even if in Romania more than 30 banks are authorised to offer on-line payment solutions (e-banking).

2.2.3. “One-stop shopping” – The Romanian e-Government portal www.e-guvernare.ro

September 2003 signifies a turning point in implementing e-Government in Romania, together with the “one-stop shopping” concept and the launch of the National Electronic System, in fact the Romanian e-Government portal (www.e-guvernare.ro). The launch’s success and the interest manifested by the citizens are quantified by more than 50,000 persons that accessed the portal in less than one and a half month after its start.

If we analyse the portal www.e-guvernare.ro we discover two main parts, some of them targeting the citizens and some of them the companies:
I. on-line services;
II. on-line forms.

I. At present, there are eight services available on-line, but the Government’s intention is to extend their number progressively. For finalising its intentions, it will take several years and will cost, according to Minister of Communications and Information Technology Dan Nica declarations’, more than 300 millions of euro.

The services now available on-line are:
1. Declaration regarding nominal record of insured employees and payment obligations towards national insurance budget (https://formularunic.e-guvernare.ro);
2. Obligations towards national insurance budget (https://formularunic.e-guvernare.ro);
3. Deduction regarding Value Added Tax (https://formularunic.e-guvernare.ro);

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5 Capital, no. 32, 7th of August 2003, p. 20.
4. Quarterly and annual balance sheet for the most important contributors (http://217.156.52.55/en/site/);
5. The electronic collection system of statistical data (http://www.e-statistica.ro);
6. On-line customs declarations;
7. On-line visas for foreign citizens;

Unfortunately, directly concerns the citizen only the last service, five on-line public services target companies and the other two public institutions. The first four on-line services offered are connected with the Ministry of Public Finance, the fifth one concern public institutions that must report electronically performance indicators regarding the IT field, and the next two services are with restricted access regime. Most of these services are in the category G2B and being only at the beginning, some (1 to 4) are restricted now at 450 important contributors from Bucharest and Ilfov County.

For the citizen, the most interesting and promising service (in the category G2C) is on-line (issue and change) driving licenses. It means that the Romanian citizen could:
1) be informed via Internet about regulations in the field and the forms he must fill-in;
2) download the forms and the filling instructions, print them, complete off-line (or completing on-line and at the end printing them) and go to a desk to register;
3) contact the authorities from his computer connected to the Internet – on-line completing the forms, sign electronically and send via electronic means.

Unfortunately, now the on-line service is not fully functional, because you need a recent photography, the cost of the driving licence issue must be made at a certain saving bank (that does not accept on-line payments) and the receipt must be the original and the applicant must sign the form. So, at the moment, the on-line service means stage two in developing e-Government, forms available for download and print.

The Ministry of Communications and Information Technology’s plans are to offer other interesting things for the citizen: on-line payment for fines, a portal for health services (including the opening hours for clinics and in perspective the possibility of programming to the doctor on-line), the income tax on-line declaration (for the beginning, only in Bucharest) and a portal for on-line vehicles registration.

II. On-line forms represent the second part of the www.e-guvernare.ro portal. Here the citizen has more than 170 forms available for download (from 465 public administration institutions), with the intention to reach several thousands, covering taxes, health, pensions, social insurance, etc.

A recent survey is encouraging for developing e-Government services in Romania, taking into account that among the reasons for using Internet on the first place is the search for information, including the one concerning the public administration.

Figure no. 2. Reasons for using Internet in Romania

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6 Survey conducted by the Ministry of Communications and Information Technology in May-July 2003, IT&Internet Guide, Ziarul de Iasi, 22 July 2003, p.5.
2.2.4. e-Tax. Theory and Practice

The e-tax system was promoted by the Ministry of Communications and Information Technology in 2002. According to the Law no. 291/2002 regarding the electronic payment of local taxes, the local public administration authorities had to implement the e-tax system until:

- 1st of February 2003, for the e-payment of local taxes for the municipalities;
- 1st of November 2003, for the e-payment of local taxes for all the other cities;
- 1st of November 2003, for the e-payment of local taxes for villages (optional), if there is demand.

Now, an electronic payment system of local taxes is available in 61 cities and still there are a lot of cities that do not comply the legal demands. Unfortunately, an analytical analysis for those cities that declared ready-to-use e-tax system shows us that in 17 cities the payment system does not work yet and function only the informative part (you only could access on-line to see your fiscal obligations).

In some cities, the local authorities were interested to declare formally that they fulfilled their obligations and offer functional e-tax system for local taxes, in order to avoid the legal penalties (between 20 and 150 millions lei, id. e. 500 to 3750 euro) - anyway, until now no one was sanctioned. After a survey realised in March 2004 by the national newspaper “Adevarul” revealing that anywhere in the country the system can not be used (you can not pay through the Internet), the Minister of Communications and Information Technology, Dan Nica disposed controls in all local tax Directions.

After his own surveys, the Ministry of Communications and Information Technology recognised that sometimes the public servants refuse at the counter the payments with cards or the town hall made preferential agreements with a bank and are not accepted other cards.

As a conclusion, it appears that the only “revolution” since now is that in some cities you could find on the Internet what are your local fiscal duties and you must stay in line (as before); if you are lucky you could pay not in cash, but with the card. As Minister Dan Nica declared “It is not normal to invite the tax-payer at the counter with the card or to sign preferential contracts with certain banks to accept only some cards. All these things are not stipulated in the Law, so are not allowed. I know about the practices of those public servants that try with all their forces to keep their job”.

The surveys also revealed that in some cities the local servants do not know anything about e-tax and recommend to the citizens to come at the desk to pay their duties.

As a conclusion, it signifies that:

- In some cases the civil servants do not trust the system.
- Sometimes the civil servants worry about their jobs. According to the Minister Dan Nica, even some mayors refused to implement the system arguing that will be forced to dismiss some employees.
- Sometimes the system was restrictively conceived (“You must have a card issued by the bank with which we signed the contract”). It is a reality that some Romanian banks try to obtain a monopoly in some area and impose such restrictions; they condition the implementation of the system to obtaining the exclusivity.
- In some cases the civil servants still try to gain some material advantage (as a journalist declared, the clerk said to him: “We have implemented the on-line tax payment system. We can not guarantee you that you can use it from your home. I give you an unofficial advice: come at the desk with the card and pay. And when you arrive ask for me and we can discuss. Maybe we could find a modality to create you that account to pay from your home. I expect you, OK?”).

The critics say that we really don’t need e-tax, in the conditions that only about 10% of the Romanian population have Internet access. But, for using (once or twice a year) the e-system, you don’t need personal Internet access:

- could be used the info-kiosks (installed sometimes in town halls);
- could be used an Internet-café;
- could be used the Romanian Post Office (that has 281 post offices in the whole country where offers Internet access);
- finally, the system allows payments for other persons.

On the other hand, according to a web-pool from February 2004, 65% of the interviewed persons would be interested to use e-tax (on-line services, generally) for avoiding the lines.

1 http://www.mcti.ro/mcti0.html?page=1159&mlang=2
According to a new Government Decision approved at the beginning of April 2004, the public institutions that do not realise a monthly update of their Internet pages will be fined (between 35 and 70 millions ROL) and the Ministry of Communications and Information Technology’s employees together with employees from the Ministry of the Administration and the Interior will make regular controls.

2.2.5. The Educational Informatized Program A.E.L.
The national governmental program “Educational Informatised Program” was started by the Romanian government in year 2001, targeting multiple objectives: to increase the PCs penetration in schools and the degree of schools’ Internet connection, to eliminate the digital divide between pupils and offer knowledge in using computers for all and a base for the future university training, but especially to use the computer as a tool in the teaching process.

Until now, the program means 1,220 highschools endowed with performant IT equipment (we reached the EU 15 average of 11 PCs per 100 pupils valid at the beginning of 2002) and 610 highschools already endowed with the educational software A.E.L. - Educational Assistant for Schools and Highschools. The financial effort, 4,000 billions lei investments engaged for the period 2001-2005 (about 100 millions of euro) does not represent only the hardware, but also the software (A.E.L.), already being realised 100 computer assisted lessons, reaching 430 in the next year, in mathematics, physics, informatics, biology, chemistry, Romanian language and literature, dictionaries, economy.

The program is implemented in collaboration with a private consortium made by well-known international companies (SIVECO Romania, IBM Romania, HP Romania, Fujitsu Siemens Computers Romania) under the coordination of the Ministry of Education, Research and Youth.

As shortcomings, the evaluation made, revealed the reduced number of professors included in training (only 13,000 until now) the still reduced utilisation of computer as teaching method and the fact that still not all the schools have Internet connection.

Chapter 3. Central versus local e-Government in Romania. Between success and failure in offering local e-Government services

The idea of one-stop shop is more than welcomed from a certain point of view, and comparing with the past is a huge step forward, to offer for the citizen the possibility to find the forms he need in his relations with the public administration’ institutions.

On the other hand, taking into account the stages of e-Government, we must be realistic and admit that this is only the very beginning, no matter the number of forms available for download. To reach a real local e-Government, it is necessary to submit on-line the forms and furthermore, the circuit must close, not only front-office, but also back-office, including the informatisation of public administration’ institutions, including connections between departments in the same institution and between the local public administration institutions and also with the central ones.

Probably, the next step must be to encounter on the local public administration websites the specific forms available for download or on-line fill in and submit.

Beside, if we analyse the forms available until now, about 150 concern national public administration’ institutions and not local interest ones. There are only two counties, Constanta and Giurgiu that offer 7 respectively 8 forms of local interest, like certificate of urbanism or authorisation for construction/demolition. If we try to find the “guilty” persons, categorically they are at local level. It is difficult to implement local e-Government services only imposing it by the law. The small number of such forms and counties suggests that the national efforts (those on the Ministry of Communications and Information Technology) are not completed with efforts of the local authorities, that does not prioritise e-Government; in fact we can see that even if it is compulsory and there are deadlines, some local authorities do not care. The Ministry of Communications and Information Technology made efforts and created some pilot-projects that seems to be successful, but when implementing in at national (local) scale, things seems to change.

The city councils must create an integral information system for the local administration, it means fully functional communication and interlinking between town halls (for cities, municipalities and villages) and city council and also with the subordinated public administration institutions and with the Ministry of Public Administration and the Interior.

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The problem is that until now, each public administration’ institution developed IT solutions without taking into account the compatibility with other (local) institutions.

Table no. 2. eEurope+ indicators in Romania in 2002

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of households with telephone lines (%)</td>
<td>52</td>
</tr>
<tr>
<td>Proportion of population that use regularly the Internet (%)</td>
<td>5.1</td>
</tr>
<tr>
<td>Proportion of households with Internet access (%)</td>
<td>4.5</td>
</tr>
<tr>
<td>Number of secured servers at 1 million inhabitants</td>
<td>440</td>
</tr>
<tr>
<td>PC number at 100 pupils (%)</td>
<td>2.8</td>
</tr>
<tr>
<td>Number of PCs connected to Internet for 100 pupils (%)</td>
<td>1.2</td>
</tr>
<tr>
<td>Number of PCs connected to high speed Internet (CATV and broadband) for 100 students (%)</td>
<td>3</td>
</tr>
<tr>
<td>Proportion of ITC specialists in the total number of employees (%)</td>
<td>1.6</td>
</tr>
<tr>
<td>Number of graduate students in ITC specialisation (thousands of persons)</td>
<td>5</td>
</tr>
<tr>
<td>Proportion of employees in teleworking in total employees (%)</td>
<td>0.2</td>
</tr>
<tr>
<td>Proportion of companies that sell and buy on-line (%)</td>
<td>1</td>
</tr>
<tr>
<td>Proportion of basic public services available on-line (%)</td>
<td>55</td>
</tr>
<tr>
<td>Proportion of public acquisitions realised on-line in total public acquisitions (%)</td>
<td>7</td>
</tr>
</tbody>
</table>

Comparing with just two or three years ago, the progress in implementing e-Government at local level is obvious. A few years ago, the local authorities’ websites (where existed) were at the very beginning; now, almost every important town is present on the Internet with its local authorities and the information is often better organised.

A survey realised among the 41 counties plus Bucharest (the capital) leaded to the following conclusions:

- Each county (among the 41) has at least three websites (for the Prefecture, City Council and Town Hall), with two exceptions (one Prefecture, in Arges and one Town hall, in Ilfov);
- Some of the websites are present on curious locations (like .8m.com in one case, .eu.org in two cases, geosities.com in one case), not on .ro domains;
- In 13 cases were only presentation pages, on other sites.

Conclusions

e-Government in Romania is still in stage two, no matter the efforts since now. As also other studies revealed, the interaction between citizens or companies and the public administration via Internet is negligible. Governmental (ministerial) efforts are notable, a lot of pilot projects are very successfully and appreciated at international level, but at local level e-Government it is not yet a priority, a lot of local public administration’ leaders probably never heard about it or at least have not a strategy (and sometime funds) for implementing it. On the other hand, if we compare different websites belonging to similar structures (for example the websites of two important town halls) we can see that at equal financial possibilities the results are very different.

References

6. ***, “eEurope+ Action Plan, A co-operative effort to implement the Information Society in

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11 [http://e-statistica.e-licitatie.ro/htmls/rezultate/proiect02v2.htm](http://e-statistica.e-licitatie.ro/htmls/rezultate/proiect02v2.htm)
Europe”, http://europa.eu.int/information_society/topics/international/regulatory/eeuropeplus/index_en.htm;
17. http://www.e-licitatie.ro;