



ROMANIA'S PLACE IN EU REGARDING THE E-INTERACTION BETWEEN FINAL CONSUMERS AND LOCAL PUBLIC ADMINISTRATION

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Abstract

The development of electronic services is now entering a new phase, which is mainly determined by the upgarde of existing processes of public governance. By its nature, the public sector is ideal to increase efficiency and quality, nationally and internationally, based on information and communication. The dissapointment encountered regarding public administration is mainly due to bureaucracy, informational abuse for own purposes, high cost of transactions and especially due to the lack of responsibility for final consumers.

This paper intends to establish the relationship between enterprises and local public administration, to determine the main reasons for which e-interaction is limited and to find some solutions to mitigate the existing problems.

Keyword: e-interaction, local public administration, e-government, online services

JEL Classification: M15

I. Introduction

The evolution from traditional government to e-government has been very rapid with the transition from documents on paper to data bases and from manual procedures to large information systems. In a first stage, increasingly more civil officials began to use

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different information systems. The interaction process was gradually developed and improved and it is still used in the interaction between citizens and organizations and the public administrations in the territory served. The phenomenon witnessed in recent years is that the traditional interaction is replaced with electronic interaction (e-interaction) this is not surprising given the fact that we are living in a "high-tech" era.

The first phase of this evolution process consisted in the presentation of information. The second phase was to offer the possibility to download forms required in the interaction with public authorities, which after printing and completing are presented in the traditional way to the authorities. The third phase presented the opportunity of completing the forms online and performing other transactions, such as payments due to public authorities.

In many cases, during the phases mentioned above, e-government was implemented by transposing the solutions used on paper in electronic formats. Presently, we are passing through a fourth phase in which solutions are redesigned to make full use of the technological possibilities and to simplify them, especially in terms of facilitating the interface with the users of e-government systems.

The development of e-government in all European countries was also determined by the legislative measures regarding the services of public administrations offered online, which coincided with the rapid evolution of Internet use.

The necessity of a legal framework arises from the difference between the practices used by each part in various stages of running an operation and as a result of the differences between information, perceptions and expectations of the parties regarding the operation. As a result, the legal framework appears as a reference element generally applicable to a territory, which requires the necessary limits within which operations can be completed, aiming towards the highest possible rate of completion.

The national framework related to online services (public procurement, electronic trade) is well structured in legal basic norms regarding electronic trade and adjoined and complementary legal norms concerning distance contracts, unfair terms, user's rights regarding networks and electronic communication services, electronic signature, protection of personal data, time brand, cybercrime, advertising and others.

For public authorities Internet usage brings the classic advantages of availability, accessibility and interaction, information on the site is provided 24 hours a day, 365 days



a year, the interested persons can access information and conduct transactions anywhere in the world where there is Internet access.

II. E-interaction between European enterprises and local public administrations

One of the factors considered to have helped Romania propel from the last places in the European rankings is the fact that natural and legal persons in Romania benefit now of a much higher internet speed. According to a study conducted by Ookla company from Seattle, Romania ranks 12 regarding internet speed, on September 2, 2013 (<http://www.netindex.com/download/2,9/Romania/%C3%A2>). This study also reveals that Timisoara ranks first regarding internet speed. In Romania the average internet speed is 34.21 Mbps. The following table presents the ranking according to the study conducted by Ookla.

Tabel 1 – Rankings on download speed by cities

1 Timisoara, RO 75.12 Mbps	11 Tokyo, JP 43.93 Mbps	21 Macau, MO 37.46 Mbps
2 Central Distri... 65.90 Mbps	12 Helsinki, FI 42.69 Mbps	22 Oulu, FI 37.18 Mbps
3 Vilnius, LT 52.40 Mbps	13 Marseille, FR 42.32 Mbps	23 Stockholm, SE 36.95 Mbps
4 Paris, FR 51.53 Mbps	14 Riga, LV 40.07 Mbps	24 Bochum, DE 36.51 Mbps
5 Kowloon, HK 50.43 Mbps	15 Cluj-Napoca, RO 39.46 Mbps	25 Taoyüan, TW 35.86 Mbps
6 Singapore, SG 46.72 Mbps	16 Lyon, FR 39.10 Mbps	26 Utrecht, NL 35.83 Mbps
7 Den Haag, NL 46.03 Mbps	17 Bucharest, RO 39.06 Mbps	27 Vienna, AT 35.57 Mbps
8 Göteborg, SE 45.82 Mbps	18 Amsterdam, NL 38.83 Mbps	28 Bournemouth, GB 34.44 Mbps
9 Seoul, KR 44.62 Mbps	19 Rotterdam, NL 37.92 Mbps	29 Chisinau, MD 34.11 Mbps



10 Taipei, TW 44.08 Mbps	20 Constanta, RO 37.65 Mbps	30 Copenhagen, DK 34.11 Mbps
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Sursa: <http://www.netindex.com/download/2,9/Romania/%C3%A2>

From the ranking performed through netindex by Ookla we can observe another positive thing about our country, in addition to the fact that Timisoara ranks first with a download speed of 75.12 Mbps we note that there are other cities in Romania that have good positions in this ranking, namely:

- Cluj-Napoca is ranked 15 with a download speed of 39.46 Mbps;
- Bucharest ranks 17 with a download speed of 39.06 Mbps;
- Constance is ranked 20, with a download speed of 37.65 Mbps.

Most European countries have published online numerous informations, many of them turning to other methods than websites to provide national portals, that are an important starting points, for users to be able to connect to governmental services of various public entities. At the same time, many developing countries have to make numerous efforts regarding transactional services as well as the electronic means involving citizens in public consultation and making decisions. (United Nations Survey, 2012)

Despite the widespread availability of e-government services in Europe, some important differences were observed in the use of these services between member states. Some of these differences can be attributed to the binding character of statements.

In some countries, the performance of these administrative operations via electronic means became mandatory, while companies from other member states may continue to submit statements on paper.

Even in the case where electronic submission is mandatory, some enterprises may indicate in statistical studies that they are not using electronic means of submission since submissions can be performed by a third party, this may be the case of outsourcing some activities.

Although there are enterprises that do not interact electronically, or avoid e-interaction with local public administrations, the study performed indicates the fact that the enterprises that choose to e-interact with local public administrations is increasing from 16% in 2011 to 19% in 2012, in this category we include enterprises that use public



procurement systems. In the following table we present a comparative analysis on enterprises that use public procurement system at EU level.

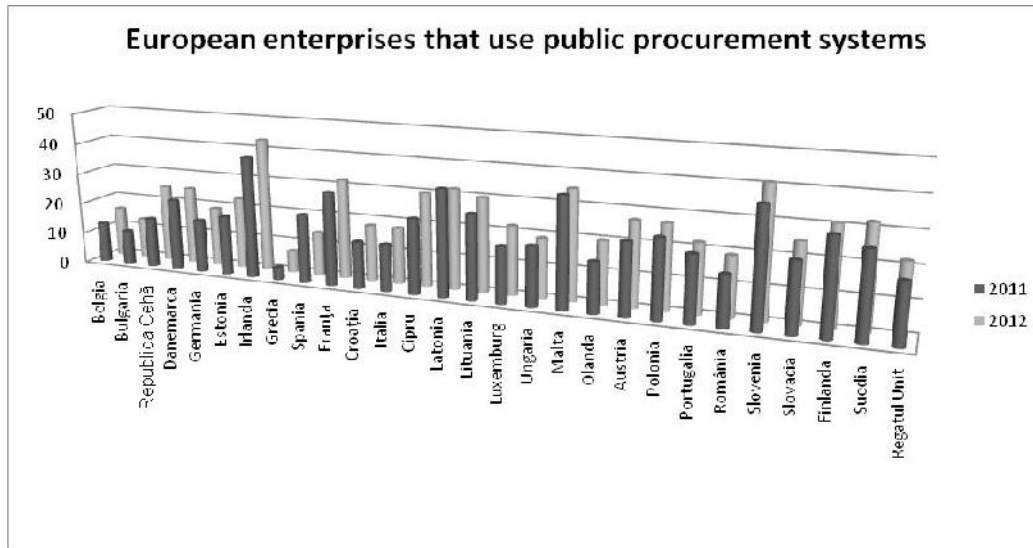
Table 2 - European enterprises that use public procurement systems (%)

Country	2011	2012
Belgium	13	16
Bulgaria	11	13
Czech Republic	16	25
Denmark	23	25
Germany	17	19
Estonia	19	23
Ireland	39	43
Greece	4	7
Spain	22	14
France	30	32
Croatia	15	18
Italy	15	18
Cyprus	24	30
Latvia	34	32
Lithuania	27	30
Luxembourg	18	22
Hungary	19	19
Malta	35	35
Netherlands	16	20
Austria	23	27
Poland	25	27
Portugal	21	22
Romania	16	19
Slovenia	37	41
Slovakia	22	25
Finland	30	31
Sweden	27	32
United Kingdom	19	22

Source: http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database



Figure 1 – European enterprises that use public procurement systems



Source: Processing data from Eurostat

In January 2012, approximately three quarters of all enterprises in EU-27 have used the internet to obtain forms and information from public authorities, and a slightly lower percentage (69%) of enterprises have submitted completed forms to public authorities via the internet, the most frequently used operations included declaratiions on VAT and social contributions.

Although in Europe more enterprises have started to e-interact more often with local public administrations, following the analysis we observed some of the main causes that limit the e-interaction between enterprises and local public administration.

The following table presents the main reasons that limit the e-interaction between enterprises and local public administration of member states in European Union.

Table 3 – Main reasons that limit e-interaction between European enterprises and local public administration at European Union level

Country	Aspects regarding privacy and data security	Electronic procedures are complicated and time consuming	Electronic procedures that still require exchange of documents or personal visits	Not knowing the available electronic procedures	Other reasons



Belgium	26	31	24	27	56
Bulgaria	25	15	20	16	44
Czech Republic	35	46	53	26	77
Denmark	29	19	29	25	52
Germany	8	13	33	5	40
Estonia	18	14	25	10	39
Ireland	24	14	22	13	44
Greece	:	:	:	:	:
Spain	21	46	30	41	61
France	33	36	58	15	75
Croatia	27	53	51	40	79
Italy	16	21	39	14	60
Cyprus	27	20	47	26	61
Latvia	8	10	26	6	33
Lithuania	19	28	36	33	61
Luxembourg	8	8	33	10	39
Hungary	20	27	36	12	57
Malta	2	2	2	1	3
Netherlands	30	20	38	17	59
Austria	32	36	62	34	77
Poland	25	33	37	25	61
Portugal	19	23	31	13	56
Romania	13	18	29	33	49
Slovenia	42	57	74	16	89
Slovakia	8	19	29	25	46
Finland	7	18	23	28	43
Sweden	6	12	12	11	24
United Kingdom	26	31	24	27	56

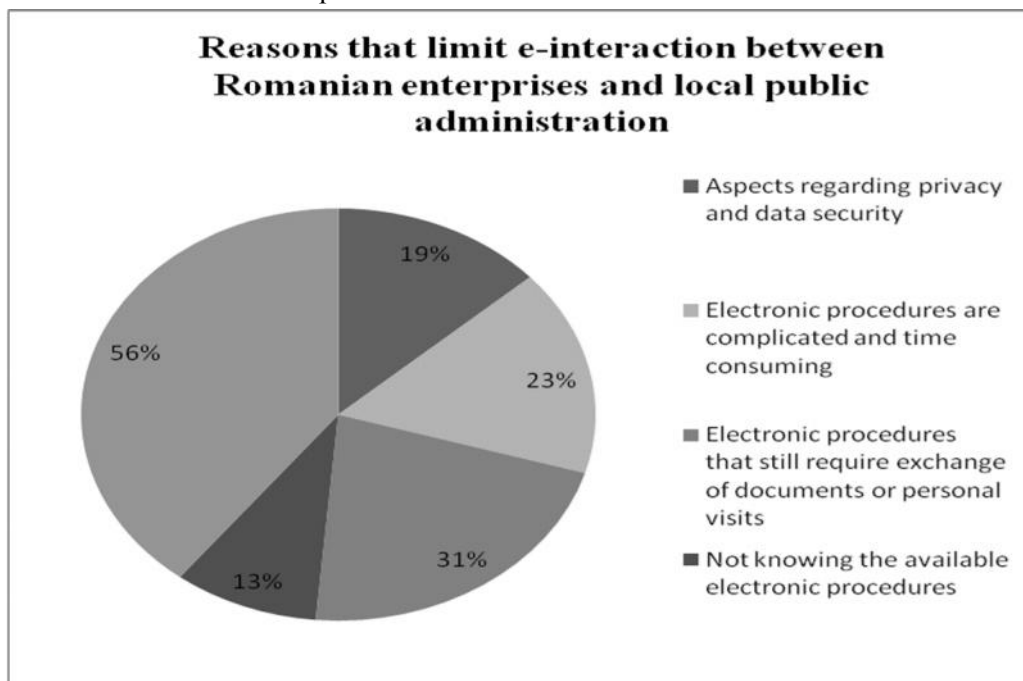
Source: http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database



The most significant main reasons found were issues of confidentiality and data security, in Romania the rate is 19%; another reason was that electronic procedures are too complicated and time consuming, in our country this reason registered a share of 23%; the fact that there are numerous electronic procedures that still require additional documents compared to the electronic ones or that require personal visits was another reason mentioned by respondents, in Romania this percentage was of 31%, another reason identified was that there are enterprises that do not know what electronic procedures are available, respectively 13% of the Romanian respondents, and other reasons had a share of 56% in Romania.

The following figure presents the main reasons that limit the e-interaction between Romanian enterprises and local public administration.

Figure 2 – Main reasons that limit e-interaction between enterprises and local public administrations in Romania



Source: Processing data from Eurostat



The analysis performed we also identified the reasons for which Romanian enterprises choose not to provide goods or services through the public procurement.

Table 5 – Main reasons for which European enterprises do not provide goods and services through the public procurement system

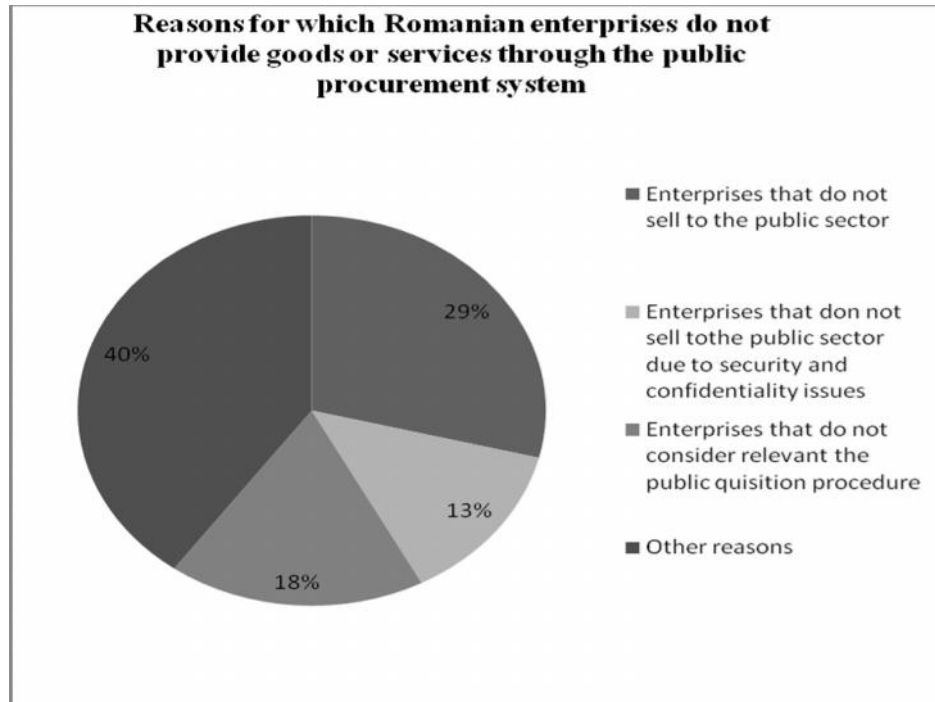
Country	Enterprises that do not sell to the public sector	Enterprises that do not sell to the public sector due to security and confidentiality issues	Enterprises that do not consider relevant the public quisation procedure	Other reasons
Bulgaria	41	12	17	51
Czech Republik	39	-	-	-
Estonia	55	5	21	64
Greece	28	7	13	31
France	35	-	-	-
Cyprus	38	5	16	66
Hungary	47	6	28	54
Malta	27	6	15	41
Poland	41	12	17	47
Romania	26	12	16	36
Slovakia	32	7	27	39
Sweden	39	2	21	41
Norway	35	3	18	40

Source: http://epp.eurostat.ec.europa.eu/portal/page/portal/information_society/data/database

Some enterprises simply replied that they do not sell to the public sector, respectively 26%, another category refers to the Romanian enterprises that do not sell to the public sector because they are reluctant regarding the data security and confidentiality, respectively 12% of respondents, a percentage of 16% of enterprises do not consider relevant the public procurement procedure, and 36% of enterprises invoked other reasons.



Figura 3 – Main reasons for which Romanian enterprises do not provide goods or services through the public procurement system



Source: Processing data from Eurostat

Solutions to mitigate the problems encountered in electronic interaction

As a result of the problems identified as a result of our study I consider that the most important aspects that could mitigate the problems encountered in the e-interaction between local public administrations and enterprises, some solutions that might resolve these problems could be: development of the legal framework and electronic democracy; increase the preparedness of public employees in information technology and communications; creation and implementation of automated information systems to support reform processes and political, social and economic development in the country; ensuring transparency of public administration activities and efficient public



administration by optimizing the use of human and material resources as well as time of service provision.

III. Conclusions

From the analysis of the specialized literature in this field we note that there is a lack of systematic researches regarding quality measurement and assessment of public electronic services that would accelerate an increase in user's confidence in the relationship between service providers, namely public administrations, and final consumers, namely individuals and legal persons in online transactions.

Strengthening the use of the Internet, both at individuals and enterprises can create proper operation of the premises in respect with the existing potential in this area related to software development and applications, and the Internet-based services.

In this regard, I consider it is appropriate to combine investments in hardware and soft infrastructure measures in order to enhance skills regarding computer usage, as well as training and certification. Directing investments in information and communications technology to potential sectors (such as energy, improving energy efficiency or competitiveness) and promoting innovation, can contribute significantly to promoting economic growth and development.

I strongly believe that generalizing e-governement can not be conceived without fulfilling some basic requirements, such as:

- widespread decentralization of competencies in public administration;
- networking interconnection of public services, including the creation of shared services where appropriate;
- dissemination of technological culture of using information and communication technologies;
- stimulating rapid growth of internet access; Stimularea creșterii rapide a accesului la Internet;
- reuse of systems created in the past;
- securing systems through certification;
- use of private and public key infrastructures of some encryption technologies to ensure safe services;
- continuous training of government personnel in using technology and information systems;
- ensuring interoperability of applications and approvals;



- creating unique identification documents.

Online public services represent one of the most dynamic areas of modern economy, being at the same time a wide range of theoretical interest. The quality of online public services has a central position in the development and improvement initiatives of e-government services and performance management in public administration.

Quality orientation of online public services is a representative part of the digital reform, which in turn is part of the public administration reform to improve public administration performance.

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