INVITATION

International Scientific Conference

"LEGAL, POLITICAL AND ECONOMICAL INITIATIVES TOWARDS EUROPE OF KNOWLEDGE"

28TH OF APRIL, 2006

Following the annual tradition, Institute of Europe, Kaunas University of Technology organise International Scientific Conference **"Legal, Political and Economical Initiatives Towards Europe of Knowledge"** for Academics and PhD Students. The Conference will be held on **28th of April, 2006** at the Institute of Europe, Kęstučio str. 8, Kaunas, 44320, Lithuania (http://www.euroi.ktu.lt/en/main.php). EU Jean Monnet Project, Institute of Europe and Lithuanian Ministry of Education support the Conference.

The aim of the conference is to present the newest scientific research results on the aspects of legal, political and economical initiatives towards Europe of knowledge.

THE PAPERS ARE WELCOME TO THE FOLLOWING THEMES:
- **Legal and economical environment for the development of Common Market**
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- **Regional Policy in the Framework of Lisbon Strategy**
- **Development of Entrepreneurial Business**
- **Juxtaposition of Competitiveness and Innovation Policy**
- **Northern Dimension in Knowledge-based Economy**

LANGUAGE OF THE CONFERENCE: English

DEADLINES:
- **Registration and abstract submission 1st March, 2006** (registration form placed in http://www.euroi.ktu.lt/en/main.php)
- **Confirmation of the abstract acceptance which will be decided by the International Programme Committee 7th March, 2006**
- **Registration fee remittance 31st March, 2006**
- **Final Papers submission 21st April, 2006**
- **Preliminary conference program 3rd April, 2006**

Proceedings (selected articles and internationally reviewed) will be published after the conference.

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LEGAL FRAMEWORK AND E-GOVERNMENT

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Abstract

In the context of knowledge-based economies, the idea of e-government is taking effect in terms of efficiency, effectiveness and in meeting the needs of "democracy". No real democratic reform of government and administration is possible without standards of administrative action embedded in the principle of the rule of law and of legitimate government and administrative action. Creating e-government is an essential part of widespread public administration reform that includes redefining of the role of modern government. The main premise of e-government is that information and services must be accessible to all citizens without personal privileges. The potentials of information and communication technology enable governments to develop the concept of e-government. Creating an e-government means the application of ICT in the functioning of public administration by promoting the use of the Internet in public administration. The EU legal framework for e-government is set in the Decision on the "Interoperable Delivery of Pan-European e-Government Services to Public Administrations, Businesses and Citizens - IDABC" (April 2004). The interaction between e-government and ICT result in new concepts in the communication between the government and the citizen, as the citizen as customer "buys" public services by means of a service center or virtual "One-Stop Shop".

Keywords:

E-Government; Public Administration; Administrative Reform; Knowledge-Based Economy; Information and Communication Technology; Citizen as Customer

I. Introduction

For the last two hundred years, neo-classical economics has recognized only two factors of production: labor and capital. This is now changing. Information and knowledge are replacing capital and energy as the primary wealth-creating assets, just as the latter two replaced land and labor 200 years ago. In addition, technological developments in the 20th century have transformed the majority of wealth-creating work from physically-based to "knowledge-based". Technology and knowledge are now the key factors of production. With increased mobility of information and the global work force, knowledge and expertise can be transported instantaneously around the world, and any advantage gained by one company can be eliminated by competitive improvements overnight. The only comparative advantage a company will enjoy will be its process of innovation - combining market and technology know-how with the creative talents of knowledge workers to solve a constant stream of competitive problems - and its ability to derive value from information. We now live in an information society and in a knowledge economy where knowledge management is essential.[1] "When we talk about the new economy, we're talking about a world in which people work with their brains instead of their hands. A world in which communication technology creates global competition. A world in which innovation is more important than mass production. A world in which investment buys new concepts or the means to create them, rather than new machines. A world in which rapid change is a constant. A world so different its emergence can only be described as a revolution."[2] As pointed out, "Innovation at present has become a key driver of sustainable economic growth and a necessary part of the response to many social needs all over the world. The changing nature of scientific research makes earlier distinctions between basic and applied research less clear and less policy-relevant. An

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[1] For Internet resources related to the field of knowledge-based economy and knowledge management in information societies, see: www.enterweb.org/know.htm.

[2] *Wired's magazine Encyclopedia of the New Economy* (http://www.enterweb.org/know.htm).

effective interface between innovation and science systems is therefore more necessary than ever."[3] In this context, "Knowledge-based economy is not a branch of economy. It is rather a compatible system of legal and economical preconditions, as well as managerial and economical mechanisms together with modern technologies and human recourses. This system appears in the process of development of the market economy supported by the new technologies. The new growth opportunities can only be seized through a comprehensive strategy based on a policy mix that is suited for each region or country."[4]

In the environment of a knowledge-based economy, the idea of e-government is taking effect in terms of efficiency, effectiveness and in meeting the needs of "democracy". There are three basic elements of e-government: a) ensuring open government and transparency in the activities of government agencies; b) providing on-line services enabling citizens to use the Internet to pay taxes, access registries, make applications or undertake procedures, elect their representatives, express their opinions, as well as participate in administrative decision-making processes, and c) interconnecting government agencies. "With e-government a new box is being opened and one which might potentially further increase the problems of government use of technology - and it may be that we will see that the underlying tension of government technology is actually a legal tension: that is, that there is something about the legal nature of government which makes technology much more difficult to apply than it is in a commercial environment. This is obviously important; since the message of e-government is that the state should take the techniques and methodology of commerce and apply them to this new relationship of the ICT-based state and ICT-based citizen."[5]

II. Administrative Reform and the Rule of Law

Modern administrative systems and actions derive from a relatively non-differentiated organizational structure of the absolutistic states of the 17th century.[6] Reactions against the administration as the monarch's "personal instrument of government" were inspired by Locke's and Montesqueau's doctrines of the separation of powers and realized by revolutions at the end of the 18th century in Europe and America. However, as the administration steadily became an equal partner in the division of powers, the previous view of the administration as a "suspicious instrument of the monarch" started radically to change. Today, the experience of developed countries indicate that an administrative system cannot be conceived as an "instrument" or "apparatus" (e.g. of the ruling class), nor can modern administrative action be perceived only as a normative structure of legal procedures.

In Europe, the past decade has shown two fundamental processes: on one hand, integration of developed Western European countries within the framework of the European Union, and on the other hand, transition of Central and East European countries towards political pluralism, market economy, administrative efficiency, information technology application, democratization and human rights protection.

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[3] Kęstutis Kriščiūnas, *EU Enlargement and the Lisabon Process: Contemplation on Objectives and Realities of Knowlwdge Economy*. In: "Juxtaposition of European Union Enlargement and Lisabon Processes (Proceedings)", Kaunas University of Technology, Kaunas, 2004, p. 6.

[4] Rasa Daugėlienė, Kęstutis Kriščiūnas, *Pecculiarities of Knowledge-Based Economy's Assesment: Theoretical Approach*. In: "Juxtaposition of European Union Enlargement and Lisabon Processes (Proceedings)", Kaunas University of Technology, Kaunas, 2004, p. 16.

[5] Philip Leith, *Legal Issues in e-Government* (http://www.lri.jur.uva.nl/~winkels/eGov2002/Leith.pdf).

[6] Stevan Lilić, *Turbulence in Administrative Transition: From Administration as Instrument of Government to Administration as Public Service*, "Third International Conference of Administrative Sciences" (Beijing, 8-11 October 1996), International Institute of Administrative Sciences. Bruxelles, 1996.

After the fall of the Berlin Wall in 1989, many former European communist countries, as they struggle to overcome the existing one-party political systems and closed command economies[7] found themselves going through a period of - often rather turbulent - social and political transition.[8] These changes effect, inter alia, the respective legal order and government organization of post-communist European countries, including the functional and organizational patterns of their administrative systems. As consequence, the existing legal frameworks and administrative action in these societies gave way to modern and democratic notions of government and administrative action that is supported by efficient functional and organizational structures and mechanisms of legal and political control and openness toward technological innovation.

The existing system of control over the administration in Central and East European post-communist countries had to restructure and orient itself towards politically accepting, legislatively formulating and procedurally implementing fundamental democratic standards that secure efficient safeguards of human rights, not only formally in constitutional and legal documents, but in the everyday communication of the citizen with governmental and administrative authorities, as well. On the other hand, the existing concepts of government and administrative control, were brought out of the pre-dominating system of authoritative control of the higher instance, into open and transparent forms of "good governance" and "access to justice", that include judicial review and ombudsman-type independent institutions. No real democratic reform of government and administration was possible without accepting human rights safeguards and control standards of administrative action embedded in the principle of the rule of law and democratic concepts of legitimate government and administrative action. No more could the government and its administration be viewed as an instrument of "class repression", but had to be defined as a system of social regulation oriented towards rendering public services and protecting human rights.[9]

Administrative reform and reorganization of existing administrative systems in European countries moved in the direction of strengthening democratic control over state administration, increasing its accountability to democratic elected bodies, de-centralizing and de-concentrating the central government structures, while maintaining the administrative system under the strict principles of the rule of law and protection of human rights.[10] The need to modernize the administrative systems and administrative action in Europe goes much beyond subjecting it to provisions of legal documents. "The challenge with which public administration is faced in Central and Eastern Europe is to redefine even its role in society, or, more concretely, its relations with politics, the economy and civil community. It is, therefore, worthwhile to recall that the dynamics of administrative transformation are intimately linked to changes in the political, legal, social and economic environment in which public institutions operate and on whose material and immaterial inputs they crucially depend. Legitimacy, authority, legality, acceptance and finance are amongst the most important resources required for effective administrative activity and they cannot be generated by the public administration itself. Accordingly, the outcome of politics aimed at public sector reform is decisively shaped albeit predetermined, by political, legal, social and economic developments."[11]

Countries in Europe still on levels of mid and late industrial development, as well as those in early stages of high technology developments, will doubtlessly need to consider present European integration tendencies, not only in respect to

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[7] Janos Matyas Kovacs, Marton Tardos, *Reform and Transformation in Eastern Europe: Soviet-Type Economics on the Threshold of Change*, Routledge, London/New York, 1992.

[8] Janos Matyas Kovacs (Ed), *Transition to Capitalism: The Communist Legacy in Eastern Europe*, Transaction Publishers, New Brunswick/London, 1994.

[9] Stevan Lilić et alia, *Upravno pravo* (Administrative Law), Savremena Administracija, Beograd, 2006.

[10] Istvan Pogany (Ed), *Human Rights in Eastern Europe*, Edward Elgar, Brookfield, Vermont, 1995.

[11] Joachim Jens Hesse (Ed), *Administrative Transformation in Central and Eastern Europe: Towards Public Sector Reform in Post-Communist Societies*, Blackwell Publishers, Oxford, 1993.

their general social and economic development strategies, but also in regard to their administrative systems and administrative actions as well. Within this dynamic social and economic environment, the recognition of the need of the administrative systems to adapt to political and technological integration processes is prerequisite for the active participation, cooperation and integration of these systems into European integration processes. In this context, administrative legislation reforms and administrative system compatibility in Central and East European countries to European integration processes should be the basis for the future technological transformation of the respective administrative systems and their organizational and functional development.[12] Comparatively speaking, the transformation of administrative systems should also be aimed at undertaking functional and organizational,[13] as well as technological[14] and personnel[15] reforms that are in line with achieving higher standards of administrative efficiency and human rights protection, particularly in regard to the issues of privacy[16] and data protection.[17]

Transition and integration processes in Europe also have a significant impact on the perception and quality of human rights, which should be taken into account in the present and future reforms of administrative systems.[18] The legalistic principle of legality, expressed through the ideal "that all citizens are equal before the law", has historically played a crucial role in institutionalizing (particularly in regard to judicial and administrative procedure), the relation between the citizen and the state (administration):[19] the greatest moral value and practical effect of the "equality" principle being the (legal) protection of the citizen from the foul actions of the state. Today, however this traditional principle is considered one-sided and obsolete: it is argued that, for the principle of legality to be legitimate in a modern administrative environment, apart from the law, the consent of the citizen is also needed. This is the result of the higher level of information and knowledge the citizen has access to, as well as ideological and interest independence of the citizen in communicating with the government and the administrative system.

III. E-Government - Main Issues and EU Legal Framework

E-government is still a comparatively diffuse concept from the legal point of view. This is somewhat mystifying, for the history of the information society is replete with ideas and discussions of the transition to e-government. Moreover, the history of data protection legislation, for example and in particular, is the history of the risks which electronic government entails. Likewise, the ideas and implementations of electronic legal databases, which date back to the 1970s, can be considered part of the development of e-government. Government was organized to operate through databases. But there were comparatively few clear analyses of what e-government could be. With no digital environment or information

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[12] Stevan Lilić, *European Integration, Administrative Legislation Reform and Administrative System Compatibility* (Report), International Institute of Administration Sciences, International Conference: "Administrative Implication of Regional Economic Integration", Madrid, November 1990.

[13] James Emery (Ed), *Organizational Planning and Control Systems - Theory and Technology*, Columbia University, Collier-Macmillan Limited, London, 1969.

[14] Jean-Paul Baquiast, *Nouvelles Technologies et Reforme Administrative*, Revue Français d'Administration Publique, No. 37, Paris, 1986.

[15] Heinrich Reinemann, *Organization and Information Management*, in "New Technologies and Management - Training The Public Service For Information Management", IIAS, Brussels, 1987.

[16] James Michael, *Privacy and Human Rights: An International and Comparative Study with Special References to Developed Information Technology*, Dartmouth, UNESCO Publishing, Hampshire, 1994.

[17] Colin Bennet, *Regulating Privacy: Data Protection and Public Policy in Europe and the United States*, Cornell University Press, Ithaca/London, 1992.

[18] Allan Rosas, Jan Helgesen, Donna Gomien, *Human Rights In a Changing East-West Perspective*, Printer Publishers, London/New York, 1990.

[19] Stevan Lilić, *Information Technology and Public Administration - The Citizen's Influence*, Information Age, London, Vol. 12, No. I, 1990.

networks to sustain it on the outside, administration was automatized from within. The "back office" became the primary focus. And even here we must note that already the concept of a document produced almost insuperable obstacles to comprehension - for lawyers. But what is e-government and what are the legal preconditions for adopting it? In examining e-government from a legal perspective, one must proceed from the concept of the constitutional state. Electronic government, too, must comply with the legislative and procedural framework of the constitutional state. Similarly, legislation must be adapted to the opportunities brought by technology. This dialogue is not an entirely straightforward one. It requires a close analysis of the goals and efficacy of government and an assessment of the applications of technology from the citizen's point of view.[20]

Creating e-government is an essential part of widespread public administration reform that includes the redefining of the role of modern government.[21] E-government is closely linked to concepts (e.g. New Public Management) that are to ensure a new quality in managing complex social environments, particularly in view of a knowledge-based economy. The main premise of e-government is that information and services must be accessible to all citizens without personal privilege or discrimination. However, this also means that some information is classified and that these protected zones must be under strict legal control. The global phenomenon in using information and communication technology (ICT), the Internet, personal computers, mobile telephones and digital television has transformed many aspect of government. Access to information and rendering on-line public services (e.g. issuing of permits, personal documents and applications) by an "open government" is creating a new quality of public services. This kind of communication offers the citizen many new forms of participating in democratic processes and decision-making. The potentials of information and communication technology enabled governments to develop the concept of e-government. Many governments today offer and distribute information through their web pages, create digital databases and render public services on-line.[22]

The United Nations define e-government as the capacity and will of the public sector to develop the use of information and communication technology in order to upgrade rendering of public services to the citizens. Of the 179 countries, that according to the 2005 UN Report, have implemented some form of e-government, the highest rate of implementation has been achieved by the US, Denmark, Sweden and the UK. In the region of South Eastern Europe, Slovenia holds position 26, Croatia 47, while Serbia and Montenegro hold an embarrassing 156th position.[23]

E-government is a concept in which information and communication technology is used in all fields of public and political administration and on the basis of which public administration is transformed and redefined as a civil service. In the e-government concept, ICT is widely used in the process of offering a variety of public services to the citizen, now seen as the "customer", by processing information electronically and with the aid of Internet Hyperlink technology.[24] E-government already exists in most of the developed countries throughout the world (the US, Canada,

[20] Ahti Saarenpää, *E-government - Good Government. An impossible equation?*, University of Lapland (http://www.unizar.es/derecho/fyd/lefis/documentos/albaralop.pdf).

[21] Stevan Lilić, Milan Marković, Predrag Dimitrijević, *Nauka o upravljanju* (Administrative Science), Beograd, 2001, pp. 368-375.

[22] John Morison, *e-Government: a New Architecture of Government and a New Challenge for Learning and Teaching Public Law*, http://www.unizar.es/derecho/fyd/lefis/documentos/JMfinaldraft.pdf.

[23] UN Department of Economic and Social Affairs, Division for Public Administration and Development Management, *UN Global e-Government Readiness Report 2005 - From e-Government to e-Inclusion*, New York, 2005, p. 13.

[24] World Bank, *E-government Guideline* (http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/ EXTINFORMATION ANDCOMMUNICATIONANDTECHNOLOGIES/EXTEGOVERNMENT/0,,menuPK:702592~pagePK:149018~piPK:1 49093~theSitePK:702586,00.html).

Japan, Australia, New Zealand, Finland, Germany, the UK, Austria, Slovenia, Hungary, Greece, etc.). In different countries and on different levels (e.g. federal, local, and regional), e-government projects are given specific names (e.g. Citizens Service Centers in Greece, Vienn@Government in Austria, eVEM in Slovenia, etc.). In Europe, e-governments are linked to each other, thus forming e-Europe, a strategic constituent of social, economic and political reform for the 21st century.[25] Within the European Union, e-government is defined as "the use of information and communication technology, particularly the use of the Internet as an instrument in achieving better governance". In the view of the EU, e-government should be established on knowledge, oriented toward the citizens and interlinked, as such represents the reform and modernization of public administration in the strategic direction of creating an information society. In the plans for the development of the EU, in the next ten years e-government will be the main tool for achieving "good governance" and for the increase of the public good, where public good is defined as the creation of new values by rendering public services and enacting legislation.[26]

Regarding the legal framework, the EU document on the "Interoperable Delivery of Pan-European e-Government Services to Public Administrations, Businesses and Citizens - IDABC" (April 2004), inter alia, states: (Art. 8) The European Council, meeting in Lisbon in March 2000, adopted conclusions aimed at preparing the transition of the European Union by 2010 to the world's most competitive, dynamic, and knowledge-based economy, capable of sustainable economic growth with more and better jobs and greater social cohesion. (Art. 9) The European Council, meeting in Brussels in March 2003, drew attention to the importance of connecting Europe and so strengthening the internal market and underlined that electronic communications are a powerful engine for growth, competitiveness and jobs in the European Union and that action should be taken to consolidate this strength and to contribute to the achievement of the Lisbon goals. To this end, the development and establishment of pan-European e-government Services and the underlying telematic networks should be supported and promoted. (Art. 10) The elimination of obstacles to electronic communications between public administrations at all levels and with businesses as well as with citizens contributes to improving the European business environment, lowering the administrative burden and reducing red tape. It may also encourage businesses and citizens of the European Union to reap the benefits of the information society and to interact electronically with public administrations. (Art. 11) Enhanced delivery of e-government services enables businesses and citizens to interact with public administrations without special Information Technology (IT) skills or prior knowledge of the internal functional organisation of a public administration.[27]

Creating an e-government means the application of ICT in the functioning of public administration as a whole (including central, local and regional public services), thus modernizing and increasing the efficiency of administrative procedures by promoting the use of the Internet in public administration. The interaction between e-government and ICT result in new concepts in the communication between the government and the citizen, as the citizen as customer "buys" public services by means of a "Single Window Government" or "One-Stop Shop". This offers many advantages, such as information sharing, network connections, e-mail, direct submission of e-applications to administrative agencies, continuous workflow, on-line questions and answers, public terminals (e.g. for voting) and so on.[28] In

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[25] *eEurpe - An Information Society for All* (http://europa.eu.int/information_society/eeurope/2005/index_en.htm). The eEurope 2005 Action Plan was launched in 2002 and was endorsed by the Council of Ministers in the eEurope Resolution of January 2003. It aims to develop modern public services and a dynamic environment for e-business through widespread availability of broadband access at competitive prices and a secure information infrastructure.

[26] C. Centeno, R. van Bavel, J.C. Burgelman, *"e-Government in the EU in the Next Decade: The Vision and Key Challenges"* (http://www.jrc.es/home/publications/publications.html).
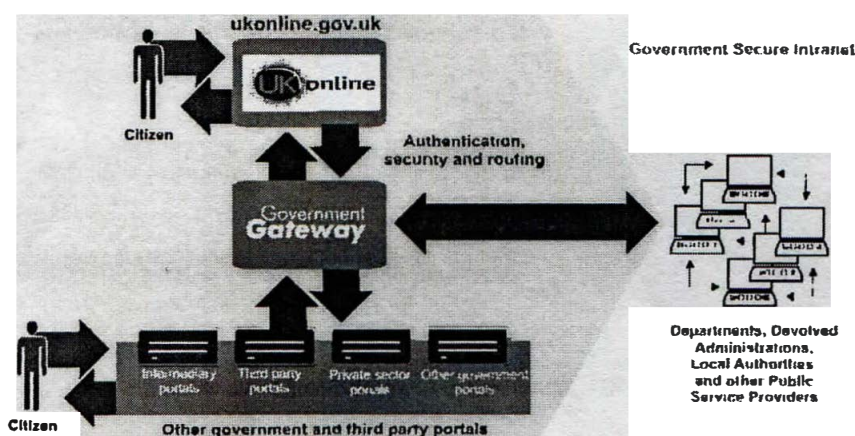
[27] *Decision 2004/387/EC of The European Parliament and of The Council of 21 April 2004 on the Interoperable Delivery of pan-European e-Government Services to Public Administrations, Businesses and Citizens (IDABC)*, Official Journal of the European Union, L 181/25, 18.5.2004.

[28] Predrag Dimitrijević, *Elektronska vlada* (E-Government), Pravni život, Belgrade, br. 9/2001

satisfying the needs of the citizen, ITC plays a crucial role. The citizens want to enjoy the benefits of a simple, comfortable, modern and secure public service. They also want to be well informed and to participate in public policy matters, and not just to be "subjects". Thus, as paradox, the "human touch" in the communication between citizens and the administration becomes a reality with the introduction of ICT which practically eliminates direct citizen-bureaucrat communication. From a conceptual aspect, e-government is capable of reducing entropy and sustaining a positive workflow in the administration and economy.

In a typical the e-government scheme there is a "front office" for direct contacts with citizens, and a "back office" that processes services for the citizens. They are connected by means of a powerful "net". The front office can consist of a One-Stop Shop model or a Call Center accessible by telephone, fax or e-mail. Also, e-government can make use of direct PC communication between the citizen and the administration. Thus, at the disposal of the citizen are various forms of communication that he/she can chose as they see fit. This means that e-government creates social, cultural, economic and institutional consequences that have positive effects on the quality of life of the citizens and their business.

The main features of e-government communication can be presented in the following diagram:[29]

Apart from the citizen and the government, there exist specialized centers for e-government and legal issues. Such is the Leibniz Center for Law which has longstanding experience on legal ontologies, automatic legal reasoning and legal knowledge-based systems, (standard) languages for representing legal knowledge and information, user-friendly disclosure of legal data, and the application of ICT in education and legal practice. It plays an important role in the development of e-government on both national and international level. The Center provides advice on change-management issues of knowledge-intensive legal processes and the improvement of knowledge-productivity in legal organizations.[30]

IV. E-government - Two Concrete Regional Cases

At a recent international conference in Greece it was stated that ongoing developments and trends clearly demonstrate the importance and advantages likely to flow from information sharing and pooling of resources, on matters

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[29] Source: Philip Leith, *Legal Issues in e-Government* (http://www.lri.jur.uva.nl/~winkels/eGov2002/Leith.pdf).

[30] The Leibniz Center for Law has its roots in the former department of Computer Science & Law of the Law Faculty of the University of Amsterdam (http://www.leibnizcenter.org).

of public administration reform between states in order to promote good governance.[31] The forum/workshop was organized with the support of the United Nations Thessalonica Centre for Public Service Professionalism (UNTC) and brought together senior civil servants engaged in public administration modernization, in the area of e-government applications, as well as other practitioners and academics from the following countries in the region: Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, Greece, Hungary, Romania, Serbia and Montenegro, Slovenia, the Former Yugoslav Republic of Macedonia, and Turkey. The conference fully reflected the recommendations and resolutions of the United Nations including, in particular, the Declaration of the Millennium Assembly and the Millennium Declaration goals. It calls for concerted action to promote the rule of law, conditions of transparency and accountability in government, to enhance public service performance and a culture of professionalism and responsiveness to citizens. It also calls for action to establish and maintain dynamic and effective public-private cooperation as part of wider efforts to sustain conditions conducive to direct foreign investment and economic progress in general.

As concrete illustrations of e-government, on this occasion we present two One-Stop shops models from the countries in the region. First from Greece, where e-government One-Stop shops are focused on Citizens Service Centers (CSC), and the other from Slovenia where e-government is focused on the One-Stop shop portal for legal persons (VEM) of the Ministry for Public Administration.

(A) Citizen Service Centers are a network of One-Stop shops set up all over Greece to facilitate the interaction between the citizens and the public administration apparatus of the State. The basic idea is to present the way the Citizen Service Centers have been designed and implemented in Greece, how the public has access to them, what is the benefit to the public, and how the Citizen Service Centers are interconnected to the other public administration structures. In addition to looking into the staff training issues and the skills required by staff working, the Citizen Service Center will explore possible avenues of further development, both in the national and the European context. The network of Citizen Service Centers (CSC) runs its fourth year and has delivered results both to the citizens, as well as to the administration.[32] The satisfaction rate (over 90%) that was registered during a nation-wide phone poll (sample 6009 citizens) is hard to achieve even for private organizations. The success of this innovative way of delivering public sector services to the citizens is mostly due to information technologies that were adopted during the development of this project. The main characteristics of the CSC project are:

- Uniform web-based IT platform used by all personnel (due to the uniform platform case-handling standardization is achieved; also, the web-based platform requires minimum equipment to run - only a computer linked to the Internet).
- Digitization of all documents pertaining to public administration - when information becomes digital it is delivered from one source but through many channels (telephone, internet) ensuring the reliability of the Administration.
- Call centers on public administration matters (the call center offers information on administrative issues and citizens are able to place requests regarding administrative documents by phone;
- E-Learning of personnel (training takes place in the form of e-learning, thus achieving shorter training times and lower training costs).
- An on-line Management Information System for the Administration's use provides daily extremely useful metrics regarding the performance of the various segments of the administration and how they relate to serving the citizens, thus helping the ministry in results-based decision-making.
- A Project Management Team (a multi-member and multi-function team) has been established in order to assist to the day-to-day operation of the CSC network.

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[31] Regional Forum on "E-government Applications in the Service of Citizens", Hellenic Institute of Administrative Sciences Thessalonica, Greece, March 2006.

[32] Evangelos Papanikolaou, *Citizen Service Centers (CSC) in Greece*, Ministry of Public Administration and Decentralization. Presentation at the Regional Forum on "E-government Applications in the Service of Citizens", Hellenic Institute of Administrative Sciences Thessalonica, Greece, March 2006.

In Greece, the CSC network has 1000 centers country-wide, with over 1000 "products" and "services" which are open six days a week from 8 a.m. to 8 p.m. and serve over one million citizens/clients per month.[33]

(B) The One-Stop shop portal for legal persons (VEM) of the Ministry for Public Administration in Slovenia was initiated by following arguments: that there was a large gap in the area of support to legal persons (business subjects); that there needed to be a strong initiative and commitment to eliminate administrative obstacles in the area of entrepreneurship, and that there was need to simplify communication between entrepreneurs and the state. The idea of a One-Stop shop existed, but concrete steps were taken when the E-One-Stop shop project ("e-VEM") was created and implemented.[34]

The e-VEM project follows the strategic goals of the Ministry for Public Service and the Government of the Republic of Slovenia.[35] The project follows the goals of the public administration that are focused on users and on the creation of a friendly environment for the development of entrepreneurship. It was started in 2005 and is the product of the project of the State Portal for Legal Persons. The basic purpose of the e-VEM project was to provide a suitable information support for future entrepreneurs and enable him/her to start with business operations in the shortest time possible. The information support provides unified support, regardless of the type of entrance into the system. The support is the same for the submission of electronic application for registration of a future entrepreneur via internet, as well as for the submission of application, which has been made for the entrepreneur by an advisor (person) that is offering support and help to the entrepreneur on one of the local entry points. The entry points can be virtual, telephone or physical. The e-VEM Project offers information support to all enumerated entry points. In this way the unification of the procedures is achieved and all information is gathered in one spot. Presently there are over 200 active local entry points. For the needs of authentication and electronic signatures, all qualified digital certificates that are registered in the Republic of Slovenia were used in the e-VEM project.

The e-VEM Portal for Legal Persons of the Ministry of Public Administration in Slovenia (www.evem.gov.si) offers: a) registration of entrepreneurs and entry into the Business Register of Slovenia; b) sending tax data to the Tax Register; c) registration of entrepreneurs for mandatory health insurance; d) registration of the entrepreneur's children for mandatory health insurance; e) entry of changes of the company in the Register of Companies, and f) e-handed decisions from public institutions. The main point is that all of the mentioned procedures can be done by Internet from home or from another entry point. The reached goals of this e-government project include: an increased trend of business registration; higher accuracy in filling out prescribed forms (due to direct connection to registers); service not limited by time or geographical factor; the procedure of opening a business and receiving an administrative decision that permits a person to start operating can be done electronically; increased data exchange between institutions within the public administration; reduced work and abolishment of sending of papers. For the citizens this particularly means savings, which include: time (1 day); tax (abolished); paper forms (abolished); transport costs (practically none). Thus, the estimated savings in 2005 was 807.833 Euro for citizens. Consequently, the cost for registering a company from home is 0 Euro.

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[33] Nikos Saridakis, *Citizens Service Centers - The Greek Experience*, Ministry of Interior. Presentation at the Regional Forum on "E-government Applications in the Service of Citizens", Hellenic Institute of Administrative Sciences Thessalonica, Greece, March 2006.

[34] Teja Bagatelj, *One-Stop Shop: eVEM*, Ministry of Public Administration (Slovenia). Presentation at the Regional Forum on "E-government Applications in the Service of Citizens", Hellenic Institute of Administrative Sciences Thessalonica, Greece, March 2006.

[35] Teja Batagelj, Dušan Kričej, *One-Stop Shop eVEM - Project Summary*, Directorate for e-government and administrative processes, Ministry of Public Administration (Slovenia). Presentation at the Regional Forum on "E-government Applications in the Service of Citizens", Hellenic Institute of Administrative Sciences Thessalonica, Greece, March 2006.

V. Conclusion

Concluding, we can highlight the three main features of e-government: a) ensuring open government and transparency in the activities of government agencies; b) providing on-line services that enable citizens to use the Internet to pay taxes, access registries, make applications or undertake procedures, elect their representatives, express their opinions, participate in administrative decision-making processes, and c) interconnecting government agencies. Each of these can be seen to reflect legal issues, which provide a context which partly explains potential difficulties in e-government.[36]

a) Open government is a major issue in e-government, with much information being made available via the Internet and as consequence of the free access to information legal frameworks. However, with 'New Public Management' there are very many areas where government is becoming less public and more private. It has brought in the idea that government provides overseeing services, but that the actual services are run by private or semi-private organizations. The major problem is that information which in a traditional 'open government' sense would be open, is not actually part of the government's information resource: it has been privatized and is comprised of a mix of intellectual property rights - trade secrets, confidential contract agreements, copyright in materials and reports, etc. In this case ensuring transparency becomes difficult to achieve, particularly when there is a commercial relationship which is protected for the benefits of the commercial supplier.

b) Providing public services is another main issue of e-government. Privacy is a matter which dominates service provision - if information is collected and used in a public manner, which are suitable for free access. An example can illustrate this. In the UK the electoral register is a document which contains public information. You can access this at the local post office and discover who lives at a certain address. This is very useful information for commercial reasons, as private companies can see if a potential customer is actually registered at the location they say they are. Thus the information is practically sold to companies by the various electoral agencies. Privacy also relates to the way in which this information, once collected, can be easily brought together. With e-government, the costs are negligible.

c) Interconnecting government agencies in an e-government environment is also very significant. A major advantage of e-government is seen in connecting various parts of government to provide flows of information between what is usually partitioned by various legal barriers (e.g. ministerial and departmental competences). However, there are also reasons why government should not be interconnected, and most of these are legal reasons. For example, should the ministry of agriculture be allowed easy access to records from the prison service? Or, why should a privatized supplier of hospital services have access to certain information, when a potential supplier (competing for this business) is not? In setting up e-government, issues of the legal framework are crucial and not just marginal problems which can be resolved at a later date. Technical aspects of introducing e-government must seriously consider legal issues that arise from this new information and knowledge-based communication between government and citizen, particularly the issue of the citizen's status as a "customer" of e-government public services.

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[36] Philip Leith, *Legal Issues in e-Government* (http://www.lri.jur.uva.nl/~winkels/eGov2002/Leith.pdf).

Prof. dr Stevan Lilić

LEGAL FRAMEWORK AND E-GOVERNMENT

Summary

In the context of a knowledge-based economy, the idea of e-government is taking effect in terms of efficiency, effectiveness and in meeting the needs of "democracy". No real democratic reform of government and administration is possible without accepting human rights safeguards and control standards of administrative action embedded in the principle of the rule of law and democratic concepts of legitimate government and administrative action.

Creating e-government is an essential part of widespread public administration reform that includes the redefining of the role of modern government. The main premise of e-government is that information and services must be accessible to all citizens without personal privileges. Access to information and rendering on-line public services (e.g. issuing of permits, personal documents and applications) by an "open government" is creating a new quality of public services. The potentials of information and communication technology enabled governments to develop the concept of e-government. Many governments today offer and distribute information through their web pages, create digital databases and render public services on-line. The EU legal framework for e-government is set in the Decision on the "Interoperable Delivery of Pan-European e-Government Services to Public Administrations, Businesses and Citizens - IDABC" (April 2004).

E-government is a concept in which information and communication technology is used in all fields of public administration and on the basis of which public administration is transformed and redefined as a civil service. Creating e-government means the application of ICT in the functioning of public administration as a whole (including central, local and regional public services), thus modernizing and increasing the efficiency of administrative procedures by promoting the use of the Internet in public administration. The interaction between e-government and ICT result in new concepts in the communication between the government and the citizen. as the citizen as customer "buys" public services by means of a "One-Stop Shop". Also, e-government can make use of direct PC communication between the citizen and the administration.

As concrete illustrations of e-government, two One-Stop shops models from countries in the region of South Eastern Europe are presented. First from Greece, where e-government One-Stop shops are focused on Citizens Service Centers (CSC), and the other from Slovenia where e-government is focused on the One-Stop shop portal for legal persons (eVEM) of the Ministry for Public Administration.

Concluding, we can underline the three main features of e-government: a) Open government is a major issue in e-government, with much information being made available via the internet and also as consequence of the free access to information legal frameworks. b) Providing public services is another main issue of e-government. c) Interconnecting government agencies in an e-government environment are also very significant. Due to this, technical aspects of introducing e-government must seriously consider legal issues that arise from this new information and knowledge-based communication between government and citizen, particularly the issue of the citizen's status as a "customer" of e-government public services.

International Scientific Conference
"LEGAL, POLITICAL AND ECONOMICAL INITIATIVES TOWARDS EUROPE OF KNOWLEDGE"

Programme

28 April 2006, Kaunas

International Scientific Conference
"LEGAL, POLITICAL AND ECONOMICAL INITIATIVES TOWARDS EUROPE OF KNOWLEDGE"

P R O G R A M M E

8:30 – 9:00   *Registration of Participants* (Kęstučio str. 8, Institute of Europe, Kaunas University of Technology)

9:00 – 9:20   **Greetings** (200 room, Kęstučio str. 8)

Prof. habil. dr. Ramutis Bansevičius   ector of Kaunas University of Technology

PLENARY SESSION (200 room, Kęstučio str. 8)
9.20 – 10.20

Dr. Vydas Gedvilas (Deputy Speaker of Seimas of the Republic of Lithuania, Chairman of Committee on European Affairs of Seimas of the Republic of Lithuania)
National Lisbon goals - Political Priorities in Action or in Paper?

Prof. Mirjana Dragičević (University of Zagreb Graduate School of Economics and Business, Croatia)
Regional Clusters as a Tool of Competitiveness Growth / The Case of Croatia

Prof. Stevan Lilić (University of Beograd, Faculty of Law, Serbia and Montenegro)
Legal Framework and E-government in Europe of Knowledge

10.20 – 10.40   **Coffee break**

SESSION 1A (102 room, Kęstučio str. 8)
"ASPECTS OF KNOWLEDGE-BASED ECONOMY IN EUROPE"
10.40 – 12.05

Chairs &   **Dr. Rasa Dau ėlienė** Kaunas University of Technology,
Reporters :   Institute o urope, Lithuania)

Prof. Kęstutis Kriščiūnas(Kaunas University of
Technology, Institute of Europe, Lithuania)

Dr. Rasa Daugėlienė (Kaunas University of Technology,
Institute of Europe, Lithuania)
*Tendencies and Prognosis for Knowledge-based Economy
Development in the European Union*

**Dr. George Ciobanu, PhD stud. Andreea – Maria Enea –
Smarandache** (University of Craiova, Romania)
*From Lisbon to Gothenburg: Rethinking EU Regional
Policy*

Lina Volodzkienė, dr. Rasa Daugėlienė (Kaunas
University of Technology, Institute of Europe, Lithuania)
*European Learning Organisation Conception: Rethinking
the Specificity*

PhD. stud. Rasa Balvočiūtė, dr. Kęstutis Ališauskas
(Šiauliai University, Lithuania)
*Critical Research Aspects on Organizational Learning and
Proposals for Its' Measurement*

Asta Aleliūnaitė (Klaipėda Business and Technology
College, Lithuania)
*Perspectives of Lithuania Under Present Conditions and
Possibilities for Continuous Learning and Human Resources
Development*

12.05 – 12.20   **Discussions**

12.20 – 13.45   **Lunch** (105 room, Kęstučio str. 8)

SESSION 1B (102 room, Kęstučio str. 8)
"ASPECTS OF KNOWLEDGE SOCIETY"
13.35 – 15.35

Chairs &   **Dr. Dmitri A. Lanko** (St. Petersburg State University,
Reporters   School of International Relations, Russia)

Prof. Petras Baršauskas (ISM University of Management and Economics, Lithuania)

PhD. stud. Živilė Paužaitė. Prof. Kęstutis Kriščiūnas
(Kaunas University of Technology, Institute of Europe)
Conditions, Values, Principles and European Dimensions in the Mosaic of Knowledge Society

Prof. Tatjana Koke, PhD stud. Gundega Lapina
(University of Latvia, Latvia)
Innovation Centred University Curriculum – A Tool for Competitive Europeans

Roberto Montanari, Stefano Marzani, Leonardo Piccinetti (University of Modena and Reggio Emilia, Italy; University of Newcastle upon Tyne, UK)
Teaching What is done in the labs: How to Maximise the Role and Results R&D Projects where a University is involved into the University Course

Dr. Dmitri A. Lanko (St. Petersburg State University, School of International Relations, Russia)
Stumbling Blocks on the Road to EU-Russia Common Space of Research and Education (Including Cultural Aspects): Case Study of the Finnish-Russian Cross-Border University Project

Prof. Kęstutis Kriščiūnas, Jurgita Keršytė (Kaunas University of Technology, Institute of Europe)
Strategic Objectives of Lithuanian Universities Implementing Ideas of Lisbon Agenda

Sandra Balčiūnaitė, Jolita Rakickaitė (Kaunas University of Technology, Lithuania)
Triangle of Research, Education and Innovation

15.35 – 15.50   Discussions

15.50 – 16.10   Coffee break

SESSION 2A
" JUXTAPOSITION OF COMPETITION AND INNOVATION POLICIES"
10.40 – 12.05 (200 room, Kęstučio str. 8)

Chairs &   **Dr. Anna Kaderabkova** (University of Economics and
Reporters   Management, Centre for Economic Studies, Prague, Czech
Republic)

Dr. Leonas Žitkus (Kaunas University of Technology, Institute of Europe, Lithuania)

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Dr. Anna Kaderabkova (University of Economics and Management, Centre for Economic Studies, Prague, Czech Republic)
Analysis of Knowledge-based Competitiveness and It's Policy Implications

PhD. stud. Jolita Greblikaitė (Kaunas University of Technology, Institute of Europe)
Responsible Entrepreneurship

Dr. Agata Jurkowska (University of Information Technology and Management Rzeszow, Poland)
Innovation: Where the Competition Starts and Where it Ends

PhD. stud. Monika Mickevičienė, Prof. Vytautas Vengrauskas (Kaunas University of Technology, Institute of Europe; Vilnius University, Lithuania)
Tendencies of Development of Enterprises' International Competitiveness

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PhD. stud. Paulius Nezabitauskas (Kaunas University of Technology, Institute of Europe)
Responsible Partnering in the KBE Creating Innovative Products: Juxtaposition of EU's and Lithuania's Dimensions'

12.05 – 12.20   **Discussions**

12.20 – 13.45   **Lunch** (105 room, Kęstučio str. 8)

SESSION 2B
"DEVELOPMENT OF EU SINGLE MARKET"
13.45 – 15.35 (200 room, Kęstučio str. 8)

Chairs &   **Dr. Joanna Bednarz** (University of Gdansk, Poland)
Reporters
                   Dr. Stanislaw Uminski (University of Gdansk, Poland)

Dr. Joanna Bednarz (University of Gdansk, Poland)
Principles of Placing Product on the Single Market. CE Marking

Dr. Piotr Zientara (University of Gdansk, Poland)
Getting in the Way: Is the Activism of EU Trade Unions Hampering the Expansion of the Service Sector?

Dr. Monika Grottel (University of Gdansk, Poland)
Customs Policy in European Community – Implications for Poland

PhD. Stud. Vita Pilsuma, prof. Leonārs Svarinskis (University of Latvia; Rezekne Higher Educational Institution, Latvia)
Central Bank's Role in the Development of the Economic Environment: Latvia's Experience

Dr. Dorota Ciolek, dr. Stanislaw Uminski (University of Gdansk, Poland)
Technology Transfer and FDI. Simple Model Based on Total Factor Productivity

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PhD. stud. Tadas Karkalas (Kaunas University of Technology, Institute of Europe)
New Tendencies in Retail Banking: Creating Customer and Knowledge Centric Organization

15.35 – 15.50   **Discussions**

15.50 – 16.10   **Coffee break**

CLOSING SESSION (200 room, Kęstučio str. 8)
16.10 – 16.40

Chairs &   Conclusions of Session 1A
Reporters   Conclusions of Session 1B
                  Conclusions of Session 2A
                  Conclusions of Session 2B

16.30 – 16.40   Final Discussions

                  Prof. habil. dr. Kęstutis Kriščiūnas, Director of Institute
                  of Europe, Kaunas University of Technology, EU Jean
                  Monet Chair, Lithuania
                  Final Conclusions

17.00   **Dinner** (105 room, Kęstučio str. 8)