

Chapter I

E-GOVERNANCE AND E-TRANSPARENCY – INTERNATIONAL TENDENCIES AND GEORGIA



As defined by UNESCO (www.unesco.org): *“e-Governance is the public sector’s use of information and communication technologies with the aim of improving information and service delivery, encouraging citizen participation in the decision-making process and making government more accountable, transparent and effective. e-Governance involves new styles of leadership, new ways of debating and deciding policy and investment, new ways of accessing education, new ways of listening to citizens and new ways of organizing and delivering information and services. e-Governance is generally considered as a wider concept than e-Government, since it can bring about a change in the way citizens relate to governments and to each other. e-Governance can bring forth new concepts of citizenship, both in terms of citizen needs and responsibilities. Its objective is to engage, enable and empower the citizen.”*

e-Governance can be considered one of the significant tools of the world community development. It is a component of the 21st century informational society. Nowadays several definitions of e-Governance are available: **digital governance, online governance, Internet-governance** etc. No matter which term we use to describe this new and innovative means of state governance, the fact is that it is actively enhancing its place at a global scale as a significant mechanism of state administration. It should be mentioned that practical introduction and development of e-Governance is carried out in four main directions:

- e-Governance for citizens - **G2C (Government-to-Citizen);**
- e-Governance for business - **G2B (Government-to-Business);**
- e-Governance for state authorities - **G2G (Government-to-Government);**
- e-Governance for public officials - **G2E (Government-to-Employees).**

The mentioned directions of e-Governance development include many sub-elements: online publication of information, public opinion polls, active mutual interaction between state bodies and users, existence of various online services, electronic format of voting etc. We would also like to mention that there is e-Governance not based upon Internet usage, i.e. electronic means and services such as text messages, biometric passports and identification cards, phone services etc.

Experts distinguish several stages of introduction of e-Governance in practice:

- **The first stage** - public authorities acquire Internet, webpages of various government bodies are created though they contain more general information;
- **The second stage** - web-page obtain a larger content: news, legal documents and official publications appear, search can be performed and e-mail can be sent through the webpage;
- **The third state** - the level of interaction of the pages increases. Governmental portals are created where information interesting for specific groups of users is placed. It is possible to download application forms, introduce authentication mechanisms;
- **The fourth stage** - a user becomes able to communicate via Internet. By means of Internet citizens can vote in elections and referendums, obtain various documents: passport, driving license, visa, license *etc.* On the same stage it is possible to make payments and pay fees, participate in public procurement *etc.* via Internet;
- **The fifth stage** - the Government can provide all kinds of service through the Internet.¹

All five stages of e-Governance are rather well-developed in the leading countries of the world. A number of positive changes are observed in Georgia as well but we will discuss it in the second part of our survey. Now we would like to address an important issue such as electronic transparency because developed e-Governance does not necessarily imply existence of electronic transparency but it is its important component. In other words, **if e-Governance promotes improvement of the level of state administration and raising its efficiency by using information technologies, electronic transparency is a significant tool of accountability and reporting in the modern informational era.**

1 „Observation of legal framework of information transparency in Georgia” - Gia Kiknadze, “Introduction of electronic transparency in Georgia”, p. 14, Tbilisi, 2007.

From e-Governance to Electronic Democracy

Electronic democracy as a newer higher step of democracy development significantly increases the potential, efficiency and actuality of democracy. Electronic democracy is based upon interaction of information and communication, global social connections, unprecedented possibilities of freedom of expression, creation of free global associations and dissemination of information, increase of professional and social prospective which to a certain extent dissolves the identity of a nation-state and forms global and local identities, offers new opportunities to business and governments, supports participation of citizens in the decision-making process, makes social life more dynamic.²

Electronic democracy is a rather new term because its institutional introduction began only from 1990s. Electronic democracy implies application of informational-communication technologies by governments, political parties, social groups, and citizens, other subjects participating in business or political processes, both locally and internationally. Broadly speaking, democracy means consideration of opinions of citizens and organizations and their active involvement in political decision-making, management of political processes. Unlike e-Governance which is created “from the top” for improvement of effective functioning of the state apparatus, electronic democracy is oriented at a more active involvement of citizens in political processes, the initiative of state governance “from the bottom” (from society).

The objective of electronic democracy is to facilitate co-participation of citizens in implementation of state policy and decision-making. It can support transparency of the decision-making process, draw population closer to the government and increase the government’s legitimacy level. Such form of democracy can be considered to be direct and can to a certain extent change accepted norms of representative democracy which are becoming more and more ineffective due to using modern manipulation technologies by the governing elite.

We can accentuate several global tendencies of electronic democracy development:

1. Qualitative indices of proactive publication and usage of information are increased;
2. Electronic mail is established as a significant mechanism of communication;
3. Governmental portals are created which differ from ordinary governmental webpages, Internet social groups are formed;
4. Online-services create a new cyberspace;
5. New electronic innovations are introduced and the level of response to user demands is improved on a daily basis;
6. Internet becomes a universal space for exchange of ideas and opinions where citizens can express their attitude to development of democratic processes (online debates, protests, petitions, opinion polls, discussions etc);

2 e-Governance in Georgia: World Tendencies – Ketevan Rostiasvili. <http://www.idfi.ge/?cat=researches&topic=35&lang=ka>

7. Internet transparency promotes improvement of the general level of democracy;
8. Amounts invested in e-Governance ensure reduction of administrative expenses and improvement of governance efficiency;
9. Internet-community leaders (bloggers, active users of social networks etc.) appear which exert a certain influence on formation of social opinion and political processes;
10. State institutions attempt to use more interaction in the course of public policy formation and correction of certain social-economic directions.

The main condition for full introduction of electronic democracy standards as well as effective functioning of e-Governance in general is a high number of Internet users in the country. For instance, 75% of Estonian population have access to the Internet while in South Korea (according to the UN research, South Korea holds the first place in the world from the viewpoint of e-Government development) Internet is available to 81% of the population (*approx.* 40 million people).

WORLD INTERNET USAGE AND POPULATION STATISTICS

World Regions	Population (2010 Est.)	Internet Users		Penetration (% Population)	Growth 2000-2010	Users % of Table
		Internet Users Dec. 31, 2000	2010			
Africa	1,013,779,050	4,514,400	110,931,700	10.9 %	2,357.3 %	5.6 %
Asia	3,834,792,852	114,304,000	825,094,396	21.5 %	621.8 %	42.0 %
Europe	813,319,511	105,096,093	475,069,448	58.4 %	352.0 %	24.2 %
Middle East	212,336,924	3,284,800	63,240,946	29.8 %	1,825.3 %	3.2 %
North America	344,124,450	108,096,800	266,224,500	77.4 %	146.3 %	13.5 %
Latin America/ Caribbean	592,556,972	18,068,919	204,689,836	34.5 %	1,032.8 %	10.4 %
Oceania / Australia	34,700,201	7,620,480	21,263,990	61.3 %	179.0 %	1.1 %
WORLD TOTAL	6,845,609,960	360,985,492	1,966,514,816	28.7 %	444.8 %	100.0 %

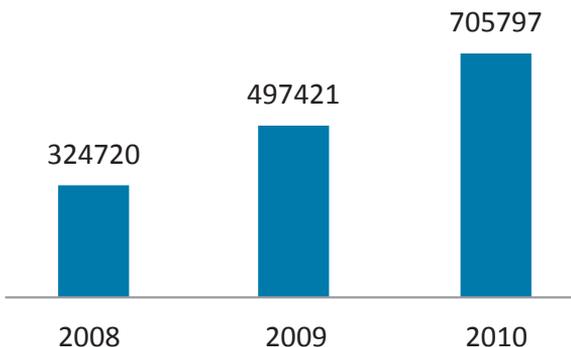
In order to more fully demonstrate the correlation of the democracy level with the Internet development level we would like to present a comparative analysis scale of these two indexes where democracy development index is presented by Economist Intelligence Unit (<http://www.eiu.com>) while, the data regarding the number of Internet users are provided by the web-portal Internet World Statistics (www.internetworldstats.com).

Country	Place in the global rating of democracy development	Percentage of Internet users
Norway	1	94.8 %
Iceland	2	97.6 %
Denmark	3	86.1 %
Sweden	4	92.5 %
New Zealand	5	85.4 %
Australia	6	80.1 %
Finland	7	85.3 %
Switzerland	8	75.3 %
Canada	9	77.7 %
The Netherlands	10	88.6 %

As it is seen from these statistical data, the number of Internet users in the world increases on an annual basis and according to the year 2010 data, 28.7% has access to the Internet. At the same time it is true that Internet-community acquires a significant social and political function in countries with highly-developed democracy.

In 2006-2008 the number of Internet users significantly increased in Georgia. According to data provided by the National Commission of Communications, the recorded number of Internet users increased from 7.8% to 23.8% within 2 years.

Dynamics of increase of the number of internet users recorded in Georgia

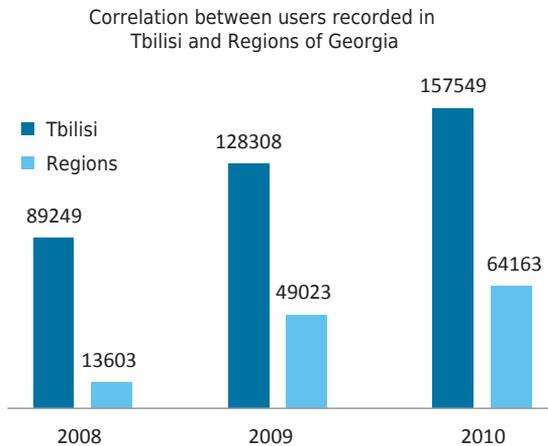


It should be mentioned that recorded number of users does not reflect the real picture because the final number of Internet users is much higher in Georgia (in most cases, more than one user uses a fixed IP while in state or other organizations

the total number of users is much higher naturally). According to the information of the Internet World Statistics online resource (www.internetworldstats.com) which relies upon data provided by the United Nations agency for information and communication technology issues - ITU), dynamics of increase of Internet users in Georgia can be shown in the following manner:

Year	Number of Internet Users	Population	Percentage of Internet Users
2000	20,000	4,389,004	0.5 %
2006	332,000	4,389,004	7.6 %
2009	1,024,000	4,615,807	22.2 %
2010	1,300,000	4,600,825	28.3 %

Unfortunately, official data of the National Commission of Communications confirm the low level of Internet availability in regions of Georgia though a positive tendency of reduction of the technical gap is also observed:



Successful dynamics of the business sector of Internet (as compared to other segments of economic sector) in Georgia should also be mentioned. The increase achieved 34% and equaled to 94 824 961 million GEL in 2009. This once again proves that Internet is one of the most dynamically developing and prospective business sectors in Georgia.

Electronic democracy is based upon e-Governance and implies interaction of modern informational and communication technologies, their adaptation to universal standards of democratic values. For example, the EC e-Governance Concept encompasses development of modern electronic technologies in three directions of the public sector functioning: communication of state authorities and civil society, functioning of state authorities at all stages of democratic processes (Electronic democracy), providing public services (electronic public service).

Electronic democracy requires electronic engagement of governments, voters, political parties and social groups in democratic processes. A more active and higher standard of interaction and accountability is introduced.

Electronic democracy introduces totally new forms of communication between the government and a citizen:

- **E-engagement** - engaging public in the policy process via electronic networks;
- **E-consultation** - refers to interaction between public servants and the citizens and interest groups;
- **E-controllership** - consisting of the capability to manage the cost, performance, and services of an organization electronically.

At the same time, one of the most important milestones of electronic as well as representative democracy is the government transparency because only the society based upon mutual trust and the government accountability can govern the state functioning by democratic principles. We would also like to mention that Electronic Governance Concept in its initial form dedicated less attention to development of electronic transparency component because it was oriented at reduction of administrative expenses and improvement of quality of governance efficiency by providing electronic services. One of the reasons was inexistence of relevant legislative norms/regulations which would provide a legal framework required for electronic transparency introduction. Though, the world economic crisis in 2008 changed many circumstances in this direction. First of all these changes were caused by unprecedented reduction of society's trust in business and state sectors. It was against the background of the global economic crisis that the leading democratic countries became sure about necessity to introduce new standards of electronic transparency. One of the most modern examples is the US President's innovative strategy "Transparent and Open Government Initiative)."

Transparent e-Governance on the US example

Memorandum for the Heads of Executive Departments and Agencies

SUBJECT: Transparency and Open Government

We will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration. Openness will strengthen our democracy and promote efficiency and effectiveness in Government.

BARACK OBAMA

One of the first initiatives of the US President Barack Obama is formulated in his “Transparent and Open Government” Memorandum: “My administration is called to create unprecedented level of government transparency. We will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration. Openness will strengthen our democracy and promote efficiency and effectiveness in Government”. The new initiative is based upon three postulates:

- **Transparency** - Government should provide citizens with information about what their government is doing so that government can be held accountable;
- **Participation** - Government should actively solicit expertise from outside Washington so that it makes policies with the benefit of the best information;
- **Collaboration** - Government officials should work together with one another and with citizens as part of doing their job of solving national problems.

According to the Memorandum issued on January 21, 2009, preparation of the “Open and Transparent Government” initiative was assigned to the Office of Management and Budget who engaged in the Directive preparation process not only experts but a wide society as well. The community directly interested in government transparency also participated in development of the “Open Government” initiative. Interestingly, this initiative first of all addressed transparency of the government’s electronic resources. According to the elaborated directive, the US “Open Government” Initiative was implemented in the Internet-space. The Directive issued by the Office of Management and Budget obliged all agencies and state structures to develop openness policy in four main directions:

1. **Publish Government Information Online** - Public information should be published in a timely manner and in a format available to population. At the same time, proactive publication of public information should promote reduction of the number of official requests of public information (FOIA). All state structures were commissioned to create a separate section of open government on their own webpage [http://www.\[agency\].gov/open](http://www.[agency].gov/open);

2. **Improve the Quality of Government Information** - Creation of control mechanisms over qualitative indexes of governmental information, assessment of information objectivity;
3. **Create and institutionalize the open government approach** - Each state structure should create and introduce its own strategy of open government. “Open Government” management panel should be created for coordination of the Initiative- www.whitehouse.gov/open;



*“Open Government”
management panel
www.whitehouse.gov/open*

4. **Create an Enabling Policy Framework for Open Government** - Practical introduction of innovative technical achievements for implementation of the open government idea, improvement of the communication quality between government and society.³

It should be mentioned that the White House Administration’s Initiative on Transparent and Open Government Creation is based upon a number of legislative acts including e-Governance Act adopted in 2002, Information Quality Act, Records Management Restriction Act etc.

According to Barack Obama’s initiative and the Directive of the Office of Management and Budget several important projects were implemented in the US which significantly increased the transparency level in the US and enhanced the accountability of the President Administration before the citizens:

- First, the list of all visitors/guests of the White House was published. By means of this electronic database Americans are able to see whose opinions the White House Administration considers in the policy-formation and planning process: <http://www.whitehouse.gov/briefing-room/disclosures/visitor-records>;

³ <http://www.whitehouse.gov/open/documents/open-government-directive>

	NAMELAST	NAMEFIRST	NAMEID	UIN	BOONBR	ACCESS_TYPE	TOD
1	EMMELT	JEFFREY	R	BUSMTG	71579	AL	5/20/09 7:...
2	TRUMKA	RICHARD	L	BUSMTG	70208	AL	5/20/09 8:...
3	ABEAS	MAHMOUD		U0228		VA	
4	AYERS	WILLIAM		U9919	6	VA	5/20/09 13:1
5	AYERS	WILLIAM	A	U6383	68643	VA	1/27/09 16:...
6	BALLMER	STEVEN	A	U84453	71597	VA	4/09/09 19:...
7	BALLMER	STEVEN	A	U0421	74703	VA	6/09/09 10:...
8	BALLMER	STEVEN	A	U02028	74697	VA	5/20/09 12:1
9	BARRY	DAVID	J	U13587	0	VA	6/09/09 9:1...
10	BARTLETT	STEPHEN	H	U5682	69132	VA	6/09/09 10:1
11	BAUER	GARY	W	U17581	0	VA	7/15/09 7:...

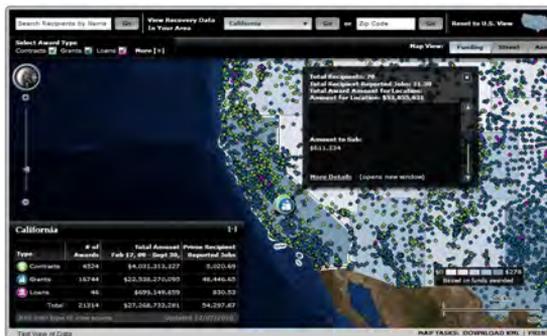
White House Guest Database - www.whitehouse.gov

- Also, it was for the first time when public information about salaries of the President Administration employees was published online and it became possible to obtain annual financial reports of public officials employed by the Administration: <http://www.whitehouse.gov/briefing-room/disclosures/annual-records/2010>:

	Employee Name	Employee Status	Salary	Pay Basis
1	Zichal, Heather R.	Employee	\$100,000.00	Per Annum
2	Zelman, Allison L.	Employee	\$50,000.00	Per Annum
3	Young, Latoya A.	Employee	\$58,511.00	Per Annum
4	Young, Katherine H.	Employee	\$42,000.00	Per Annum
5	Young, Jr., Reginald D.	Employee	\$60,232.00	Per Annum
6	Yeager Kaplan, Jennifer	Employee	\$66,300.00	Per Annum
7	Wright, Jessica N.	Employee	\$96,900.00	Per Annum
8	Wong, Shale L.	Employee	\$0.00	Per Annum
9	Witt, Abigail	Employee	\$45,000.00	Per Annum

Salaries of the US President Administration employees - www.whitehouse.gov

- Online resource was created where users can become fully acquainted with projects sponsored according to the American Recovery and Reinvestment Act of 2009 and their financial reporting (787 billion USD): - www.recovery.gov:



Detailed visualization of grant issued within the framework of the Act - www.recovery.gov

- A large-scale project “Electronic Database” was initiated by the President Administration in May 2009 – “www.data.gov.” On the web-resource created within the project framework, public data owned by various departments and agencies of the US Government are published online. The web-portal already includes 167 000 various certificates regarding activities of the Federal Government. Such a universal electronic database based upon

“one-stop principle”, facilitates users to obtain information about significant data accumulated in governmental structures. It is also noteworthy that the database is updated considering desires and advices of users on a regular basis;



Electronic Database
- www.data.gov

- The US citizens are enabled to use online resource - www.usaspending.gov. The database contains information about grants issued by the US Government, contracts, financial assistance and other spending activities. Any person concerned can become acquainted with official data of disposing federal budget allocations which introduces a new standard of government accountability and enhances credibility between population and the governing elite;



Federal Budget
Electronic Database
- www.usaspending.gov

- One more important innovation was validated from June 2009. A special web-resource - www.it.usaspending.gov was created where the amount invested by the US Government in IT sector (approximately 78 billion USD annually) is reflected and financed projects, programs and list of tendencies are provided. The IT control panel enables the IT specialists to observe the development of this field, participate in various discussions, make corrections to the process of project planning and implementation;



Database of projects sponsored in IT sector www.it.uspending.gov

- Taxpayers in the US have an opportunity to monitor financial expenses paid by the state for foreign assistance, development dynamics, the available statistical data. Information can be obtained at the website created specially for this purpose by the USAID - www.foreignassistance.gov;



Financial assistance provided by the US to Georgia - www.foreignassistance.gov

- Within the framework of the “Open Government” initiative the US Government dedicates significant attention not only to its own transparency and accountability before society but also activation of citizens’ participation in the policy planning process. Many innovative web-resources are created and functioning in this direction where common citizens as well as specialists and public officials can make their opinions and ideas available to state authorities. For example, by using the web-resource www.challenge.gov various US state authorities publish contests of ideas regarding specific projects directed at sector development. Public officials can freely use this webpage for implementation of innovative ideas and even receive monetary awards for it sometimes. At the same time, they can offer specific proposals to state institution. Exchange of ideas takes place not only by using web-resources of federal importance but also through webpages of specific state agencies. For example, the US State Department’s web project “Opinion Space 2.0” (www.state.gov/opinionspace/) enables all those concerned to express their opinion about directions and tasks of the US foreign policy. Currently 24 different departments use IdeaScale application on their own website (www.ideascale.com) which enables the viewer of a specific

governmental online resource to express his opinion about some significant problem related to development of open government policy;



Idea exchange panel on “The Department of Homeland Security” webpage - www.dhs.gov

- In order to facilitate access of users to various online projects and services initiated by the government, a large-scale web-portal www.usa.gov has been created and functioning. It facilitates access to all those informational resources which are administered by the US Government’s various departments and agencies in the Internet space. The webportal increases availability for those wishing to use electronic services and required information in informational space and it represents a virtual gates of America actually.



Unified Web-portal of the US Government - www.usa.gov

We have considered only an incomplete list of websites which are actively developed for increasing the degree of transparency, accountability, involvement of citizens in social-political process by the Federal Government.⁴ It should also be mentioned that this is a very scarce list of existing online projects and certain state agencies introduce new technologies, decisions, communication technologies, use social media, publish "Open Government" reports, improve their own web-resources based upon principles of openness, accountability, transparency and engagement within the scope of their competence, without directives from the central government. It is noteworthy that apart from institutional introduction of electronic democracy, e-Governance provides a significant practical benefit to the US Government and the citizens. For example, introduction of communication technologies reduces paperwork expenses. Program introduction of modern information technologies in the US Department of Energy in 2006-2009 enabled to save 160 million USD, in the Treasury Department - to save 199 million USD etc.

At the US example we can mention that electronic transparency is a necessary constituent and component of modern e-Governance. American achievements of e-Governance and electronic transparency, their development dynamics and objectives are well formulated in the report sent to the Congress by the Office of Management and Budget - " FY 2009 Report to Congress on the Implementation of The e-Government Act of 2002 - <http://www.whitehouse.gov/omb/e-gov/>), as well as in the Open Government Progress Report to the American People - <http://www.whitehouse.gov/open>) published by the White House.

4 For more details you can view the White House innovative projects gallery - <http://www.whitehouse.gov/open/innovations>

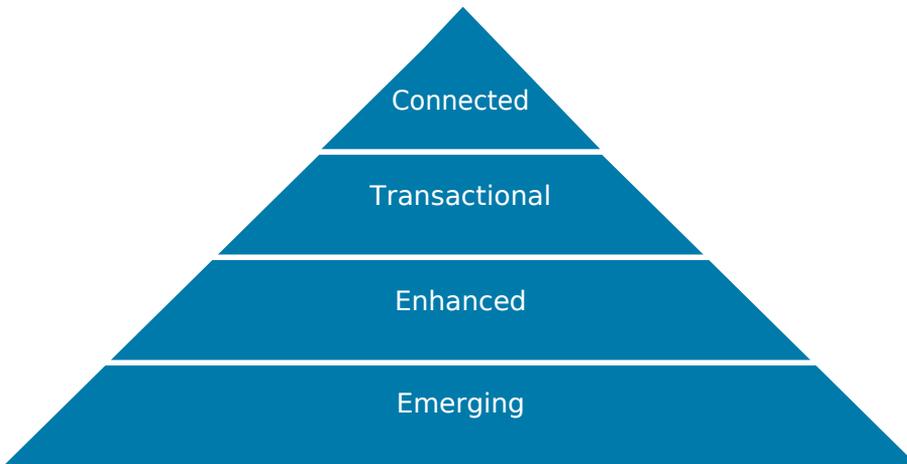
Global Tendencies of e-Governance Development

Surveys regularly carried out by the UN Department for Economic and Social Relations represent a significant source for analysis of global tendencies of e-Governance. The last such survey was published under the name “The 2010 United Nations e-Government Survey: Leveraging e-Government at a time of financial and economic crisis).”⁵

The survey was carried out in 2009 and was published in the yearly 2010. It reflects dynamics of development of global tendencies of e-Governance against the background of the world economic and financial crisis. We will not start to describe the methodology of this large-scale and rather significant survey.⁶ But is it noteworthy that E-Government Development Index used to be calculated with rather many marks:

- Online service index;
- E-participation index;
- Telecommunication infrastructure index;
- Human capital index.

In the opinion of the UN experts, there are four stages of development of electronic services:



Stage I

Government websites provide information on public policy, governance, laws, regulations, relevant documentation and government services provided. They have links to ministries, departments and other branches of government. Citizens are easily able to obtain information on what is new in the national

⁵ http://www2.unpan.org/egovkb/global_reports/10report.htm

⁶ The report methodology is discussed in our previous survey dedicated to this issue: “e-Governance in Georgia: World Tendencies” – Ketevan Rostiasvili <http://www.idfi.ge/?cat=researches&topic=35&lang=ka>

government and ministries and have links to archived information;

Stage II

Government websites deliver enhanced one-way or simple two-way e-communication between government and citizen, such as downloadable forms for government services and applications. The sites have audio and video capabilities and are multi-lingual. This also includes some limited e-services where citizens can request non-electronic forms and request for personal information, which will be mailed to their house;

Stage III

Government sites engage in two-way communication with their citizens, including requesting and receiving inputs on government policies, programmes, regulations, *etc.* In this stage, transactions require some form of electronic authentication of the citizen's identity to successfully complete the exchange. This stage also include the processing of non-financial transactions, including, for example, downloading and uploading of forms, or on-line completion of forms (such as electronic tax filing, application for certificates, licenses, permits, e-voting) and financial transactions for any of the above (i.e. where money is transferred on a secure network to the government);

Stage IV

Government sites have changed the way to communicate with their citizens and they are proactive in requesting information and opinions from the citizens using web 2.0 and other interactive tools. The e-services and e-solutions that are available cut across the departments and ministries in a seamless manner. Information, data and knowledge is transferred from government agencies through integrated applications.

It is also important to mention those online services integration of which in governmental web-portals and webpages of Ministries ensures effective introduction of all four above-mentioned approaches:

Web functions and services

What's new?
Frequently Asked Questions
Archived information

Web functions and services

Site map
Links between national home pages and ministries/departments
Links between national home page and public sector services

Web functions and services

Minimal level of web content accessibility
Site support audio and/or video content
Site provides really simple syndication (RSS)
Site offers content in more than one language

Web functions and services

Site offers service to send alert messages to mobile phones
User can apply for registration or application by mobile phone
Users can pay registration fees, fines, etc. by mobile phone

Web functions and services

Payments
Registrations
Permits, certificates, identification cards
Fines
Utilities

Web functions and services

Online forms
Online transactions
Application for government benefits
Acknowledgement of receipt

Web functions and services

Single sign-on
Electronic identity management and authentication
One-stop shop
Information in machine readable format
Interaction with Head of State

Web functions and services

Citizens can request personal information about themselves
Users can tag, assess and rank content
Users can initiate proposals
Users can personalize the website
Government has committed to incorporating e-participation outcome in decision making

There are not many countries in the world with developed resources of e-Governance at all four stages. The leading countries by electronic service index as well as the level of e-Governance development in general are South Korea, the USA and Canada.

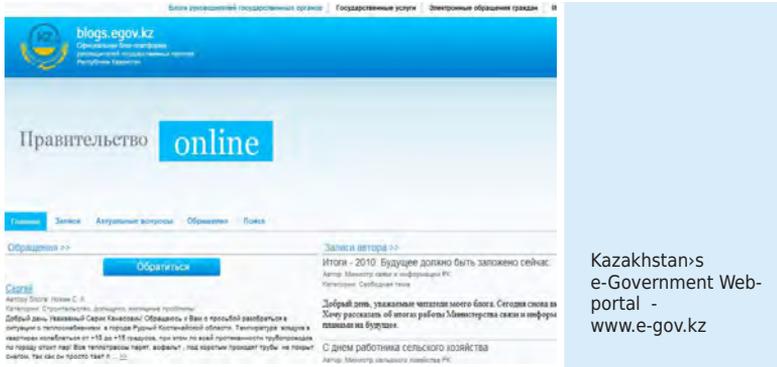
It is also very important to review development of electronic engagement (E-participation). Internet provides a new arena to politicians for electoral enhancement of their positions and approaches. At the same time, internet creates an environment where all social groups including marginalized have an opportunity to express their own civil position and achieve a specific goal. Many governments have been trying to establish a feedback with population via their own webpage. Governments try to directly deliver information to citizens, engage them in political processes and thus enhance their political platforms. In the UN expert opinion, E-participation encompasses three main components:

1. **E-Information** - This is a one-way communication from government to citizen and businesses. The government web sites provide citizens with e-information concerning policies, laws, regulations, citizenship, budgets, services and solutions and other related issues provided by the government. It is concerned with the provision of information on the website concerning e-participation activities, e-participation policies or mission, participation in rural or isolated areas, and how often such information is updated. This information can be provided via newsletter, web forum, blogs, community networks, SMS, email, etc;
2. **E-Consultation** - This is a two-way e-communication between government and citizen, which is initiated from the government side. Governments engage with citizens and businesses seeking feedback and comments on issues concerning the welfare of citizens. Governments need to acknowledge the feedback from the citizens and respond to the citizens. E-consultation also involves governments reporting on the outcome of the dialogue with the citizens and announcing a way forward. The government uses online tools such as: polls, surveys, chat rooms, blogs, social networks, newsgroups and other interactive tools to support citizen engagement. E-consultation can also be initiated by the citizen through the use of interactive tools such as e-petitions. Citizens can use e-petitions to initiate a dialogue on issues concerning their welfare with government to change public policy;
3. **E-Decision Making** - This is also a two-way e-communication between citizen and government in which citizens are involved either partially or fully involved in the decision-and policy-making process. Governments elicit feedback from citizens and businesses on government proposals, which will have direct bearing on the decision-making process. Citizens themselves can also introduce issues that can amend, modify or create policies and in partnership with the government participate in the decision-making process. Citizens are thus empowered to be more involved in government policies and programmes.

The top leading countries by E-participation index appeared to be South Korea, Australia and Spain. It is worth mentioning that if nobody was surprised to see Estonia on the 9th place among the leading 20 countries. Kazakhstan's 18th position became a real surprise (Kazakhstan occupied position 106 in the E-participation rating in 2008). The country which had held position 81 by e-Governance development level in 2008, managed to advance by 40 positions within 2 years. By qualitative E-participation indices Kazakhstan left behind countries such as the USA and Great Britain. The foundation of such success was first of all the e-Governance national web-portal www.e-gov.kz. Apart from online services and vast amount of information the web-portal is distinguished by web 2.0⁷ conception integration and is oriented at maximal participation of population. By means of web-portal based on one stop principle population has access to all governmental resources and informational services, video and educational programs for children are functioning as well as online discussions

7 You can see more information about web 2.0 on the link: - <http://radar.oreilly.com/2010/05/what-does-government-20-look-l.html>

and consultations, E-participation event calendar is published, the Prime Minister and all members of the Cabinet of Ministers have their own blog where questions can be asked to officials and receive their answers. Authorized user has an opportunity to send electronic messages to any governmental authority. Various issues are discussed on online forums, citizens can initiate their own proposals etc.



Kazakhstan's
e-Government Web-
portal -
www.e-gov.kz

The main characteristics of E-participation can be divided into four thematic blocks:

Web functions

Site provides information about inclusiveness in e-government
Site provides information about e-participation

Web functions

Online polls
Online surveys or feedback forms
Chat rooms or instant messaging
Web logs
List services or newsgroups
Other interactive tools

Web functions

Citizen charter or service level statement
Facility for citizen feedback
Information about employment opportunities

Web functions

Online discussion forums
Archive of past discussion forums
Government officials respond to citizen input
Government officials moderate e-consultations
Online petitions
Online voting

According to the survey, the top 20 leading countries of the world by E-Government Development Index look as follows:

Position	Country	E-Government Development Index
1	The Republic of South Korea	0.8785
2	The United States of America	0.8510
3	Canada	0.8448
4	The Great Britain	0.8147
5	The Netherlands	0.8097
6	Norway	0.8020
7	Denmark	0.7872
8	Australia	0.7863
9	Spain	0.7516
10	France	0.7510
11	Singapore	0.7476
12	Sweden	0.7474
13	Bahrain	0.7363
14	The New Zealand	0.7311
15	Germany	0.7309
16	Belgium	0.7225
17	Japan	0.7152
18	Switzerland	0.7136
19	Finland	0.6967
20	Estonia	0.6965

The majority of the countries in the top 20 are distinguished by high income and economic stability. Economic factors have mainly determined the high index of e-Governance of these countries. At the same time great importance is attached to qualitative indexes of telecommunication infrastructure and human resources for development of e-Governance. Accordingly, countries with strong economies are distinguished by high level of education of the population, they possess more financial and human resources for successful development of e-Governance. Well-developed webpages and e-services will be less effective in case population can not use them because of lack of access to the Internet or special skills. In the opinion of the UN experts, less developed countries should develop three main directions simultaneously through financial and intellectual investment to overcome the existing technical gap - telecommunication infrastructure, online services and educational system.

At the same time, practice shows that in less developed countries there is often a potential to eradicate technological underdevelopment through investment in new technologies (mobile connection), creation of well-constructed web-portals,

development of community centers and communication network (which increases the quality of access to the Internet among population). A global tendency appears that more and more countries give advantage to communication with their population via Internet. Online questionnaires, discussions, blogs and other E-participation mechanisms often become a precondition of real transformations and improvements. Bahrain's national web-portal can serve as an example - www.bahrain.bh.

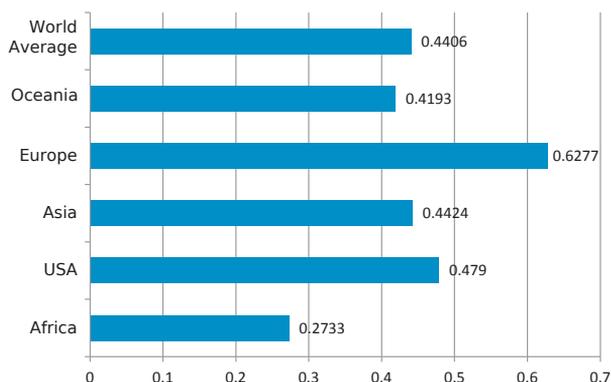


Bahrain national web-portal - www.bahrain.bh

At the expense of the improved web-resource the country has made a great step forward in the UN e-Governance Development Rating (42nd position in 2008, 13th position in 2010) and occupied a dignified place along with highly developed countries. The web-portal offers numerous e-services to users. According to the e-Governance Concept, thematically are distinguished e-services for citizens, business and governmental structures. The guests of the country can order an electronic visa or obtain information about air flights on mobile phone. On the web-portal you can find information not only about public but also about private services. Ideas and opinions are exchanged with officials by means of an integrated blog etc.

From the comparison scale of the world regions e-Governance development levels it is seen that Europe still remains the leader in this direction. At the same time Europe is the only region in the world which tries to create a regional system of e-Governance.

The development of e-Governance according to the World regions



e-Governance is considered as an important component of informational society development. According to the 2011-2015 Action Plan governed by the European Commission, 50% of the European Union population and 80% of business will be fully using e-Governance by 2015. Despite the fact that integration of a unified system in the EU is a rather complex, labour-intensive and costly project, in the long term it will save significant amounts. For example, by estimate, a Unified Electronic System of Declaration saves 50 billion USD annually.⁸ It is worth mentioning that E-participation directed at development of e-Transparency and E-democracy is among 5 top priorities of the EU e-Governance Action Plan. Pan-European pilot projects on e-Governance have been launched:

- PEPPOL (Pan European Public Procurement Online);
- (STORK (Secure identity across borders linked));
- SPOCS (Simple Procedures Online for Cross-border Services);
- ECRN (European Civil Registry Network);
- PEP-NET (Pan European E-Participation Network);
- eGOS (e-Guidance and e-Government Services) etc.⁹

As for separate European countries according to the rating, the top 10 European countries are as follows:

8 http://ec.europa.eu/information_society/activities/egovernment/policy/index_en.htm

9 http://ec.europa.eu/information_society/activities/egovernment/implementation/ict_psp/index_en.htm

No	Country	E-Government Development Index
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10	Switzerland	0.7136

The list is topped by the Great Britain which has introduced many innovative services for population at the expense of a well-planned state program. Launching of a user-oriented national web-portal www.direct.gov.uk appeared to be decisive for successful development of e-Governance.

Unified online system of Great Britain e-services - www.direct.gov.uk

The web-portal provides British citizens with full information about existing governmental services, provides various practical data. By means of the web-portal British people receive necessary advice, participate in online discussions and campaigns. The webpage has mobile application support. There is a special section for children. One specific address contains information about transport, health, education, employment, environmental protection, disabled persons, legal, financial, youth and other social issues. In fact the web-portal accumulates flows of information of various governmental institutions and facilitates population's access to information which is important for them - from correct utilization of used batteries to information about dissemination of new electronic viruses.

Finally, success of the leader country of the rating - South Korea should be mentioned. South Korea developed all components important for effective functioning of e-Governance under longstanding, well-estimated and planned

program. There is a webpage www.egov.go.kr for carrying out electronic transactions, various financial operations and calculations, completing forms and applications (information about 5300 public services, receiving 720 public services by email, option of electronic completion of 28 various forms). After electronic authorization this webpage becomes the personal webpage of financial activities of citizens. The national portal www.korea.go.kr, distinguished by simple design and multifunctionality enables citizens to have access to the integrated system of all governmental structures.



South Korea e-Government Portal - www.korea.go.kr

(The national web-portal makes governmental information, online forms and transactions, mobile notification and electronic consultation programs available.) For the purpose of E-participation of citizens a separate webpage is functioning - www.epeople.go.kr. It connects population with all administrative authorities, provides electronic consideration and execution of administrative cases, enables to send notifications about corruption, ensures sending requests, solicitations, proposals, control over electronic messages, discussions and reviews of social-political or other character.



South Korea E-participation service - www.epeople.go.kr

Public information issuing electronic system www.open.go.kr enables the implementation of request and receipt of public information in electronic form.



South Korea public information issuing electronic system - www.open.go.kr

Korea's large-scale e-Governance program directly managed by the leader of the country began as early as in 1994. Despite the fact that hundreds of million USD were invested in the program implementation, the achieved result really determined the country's regional leadership in IT sector and provided the country's budget with significant financial benefits. According to the existing data, the budget saved 1 billion USD while social-economic expenses were reduced by 16 billion USD. Administration was also optimized: the term of replying to public information request was reduced from 30 days to 7 days, 53% of public information is issued electronically. The time spent on commodity export has been reduced from one day to 2 minutes, the time of import has been reduced from 2.5 hours to 1.5 hours, the passenger registration time - from 40 minutes to 25 minutes. Electronic customs office ensures saving 2.5 billion USD annually. 80% of Tax Declaration and 75% of obtaining certificates are made electronically and these are data of the year 2008 only.¹⁰ Supposedly, e-Governance achievements of the year 2010 and new programs will bring more benefits to population of the country in general.

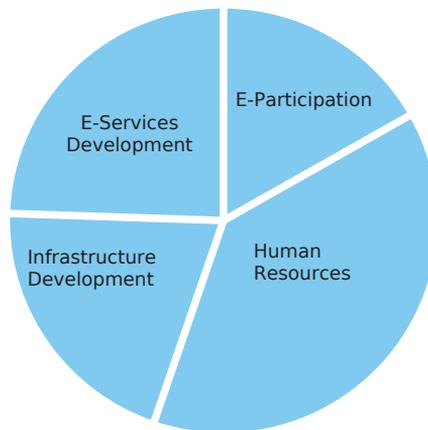
¹⁰ http://www.korea.go.kr/new_eng/service/viewContent.do?enContId=00001264605104039000_151

General Tendencies of e-Governance and e-Transparency Development in Georgia

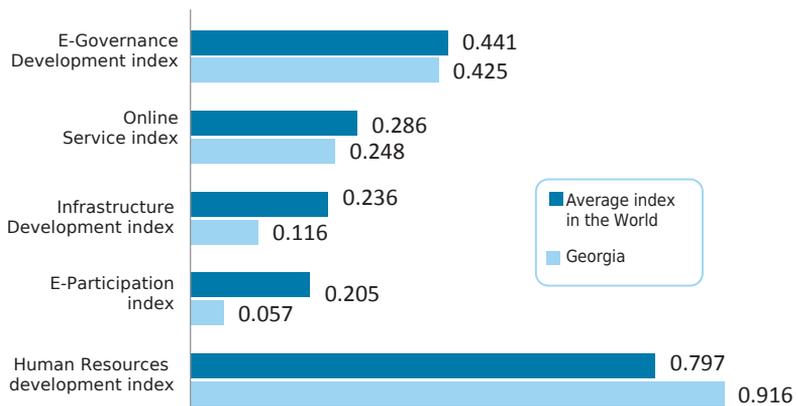
It should be mentioned that three post-Soviet countries were included in the top 20 rating made up by the UN: Estonia occupied the 9th position, Kazakhstan - the 18th position and Lithuania - the 19th position. Among 192 countries of the world Georgia occupied the 100th position by e-Governance development index. By this index Georgia leaves behind only three post-Soviet countries (Armenia - position 110, Tajikistan - position 122 and Turkmenistan - position 130).

Among 184 countries Georgia occupies position 100 in the rating of online services. Georgia is on the 115th place by telecommunication infrastructure development index. Georgia is on the 52nd place among 184 countries by human resources potential index. Georgia has the lowest index in E-participation rating - 127th place

Correlation of Development of E-Governance sectors in Georgia



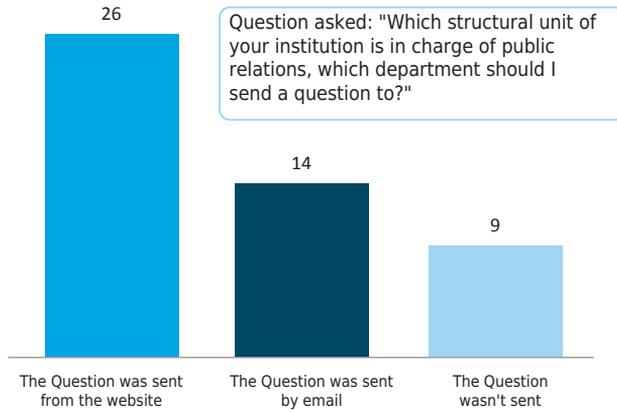
Correlation of Georgian indexes with World's average indexes



As it is shown from the above statistical data, Georgia has the lowest index in telecommunication infrastructure development and the population E-participation. While telecommunication infrastructure development requires significant financial expenses and solid capital investments from the government and the business sector, development of E-participation is first of all dependent upon political will of the government and appropriate approach of state structures to the issue. The 127th place among 184 world countries by the population E-participation index is a very low index. This is mainly caused by the infantile attitude of state structures and society to electronic communication. At the same time, high index of human resources development (52rd place in the world) confirms readiness of the Georgian population to become actively involved in electronic projects initiated by the government. One important circumstance should also be mentioned. While in geographically large countries with big population E-participation of citizens brings results mainly at a local level, in a small country like Georgia E-participation can bring a real effect because the government has a direct access to its citizens and accordingly, their engagement in the decision-making process is facilitated. Information resources (official webpages) monitoring of public authorities of Georgia carried out by the Institute of Development of Freedom of Information (hereafter IDFI) has shown that public institutions (Ministries and Legal Entities of Public Law) dedicate less attention to establishment of interaction with the viewers of their webpages. Almost no official webpage operates a forum or a blog, special sections where it would be possible to hold public discussions or consider initiatives, online interviews, web 2.0 social network applications etc. Online consultation functions, information dissemination software in social networks, options of receiving informational services on mobile phones are rarely present on websites. The attitude of state structures regarding participation of users in the decision-making process is in fact analogous to the "Question-Answer" section of webpages where official agencies ask questions and reply to these questions all by themselves. We think that the public campaign "The Government's Reporting To People" initiated by the President of Georgia several years ago would have been more efficient if it had turned into a real mechanism from a permanent initiative. The simplest and the most acceptable form of realizing this idea would have been development of the government's electronic resources because web-space is considered to be the modern and effective platform of accountability.

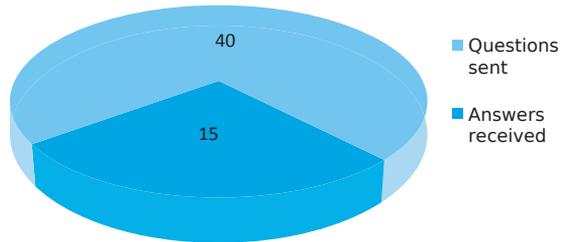
As the example of the existing tendency we would like to present results of a small survey carried out by IDFI. The mentioned survey aimed to assess effectiveness of receiving electronic consultations from governmental webpages. We tried to identify the structural units of public authorities in charge of public relations via email registered in a citizen's name. It should be mentioned that among the objects of the survey no email address and no electronic application form was found at the official webpage of the Ministry of Culture and Monument Protection of Georgia (www.mcs.gov.ge). It was the same situation with the website of Forestry Department (www.forestry.gov.ge), State Fund for Protection and Assistance of (Statutory) Victims of Human Trafficking (www.atipfund.gov.ge). Electronic notification sending form also did not function on the Social Service Agency (www.ssa.gov.ge) website. Finally, we managed to send electronic questions to email addresses of 14 Ministries and 26 LEPLs under their system. We received a reply only from 15 public authorities out of 40 interviewed.

Statistics of sending online questions to public authorities



Statistics of online replies of public authorities (questions were sent to 14 Ministries and 26 LEPLs)

Question asked: "Which structural unit of your institution is in charge of public relations, which department should I send a question to?"



One more negative tendency occurred after IDFI requested public information about the number of 2009-2010 Internet-users of official webpages of legislative and executive government. We requested public information from the Parliament of Georgia, the President's Administration, The City Hall of Tbilisi, 16 Ministries, Procurement, Civil and Public Registry Agencies. Unfortunately, most of these agencies did not reply to our official request at all. On the basis of analysis of the received information it was clarified that the Parliament of Georgia, the Ministry of Energy and the Ministry of Culture and Monument Protection did not possess statistical data about the number of their webpage viewers. It can be said that such attitude to public recognizability of their own information resources does not promote development of E-participation.

At the same time, the obtained public information confirmed the fact that the number of official web-resource users increases annually. For instance, 200066 users visited the official website of the Government of Georgia (www.government.gov.ge) in 2010, the Ministry of Justice (www.justice.gov.ge) website had 313500 viewers, the Ministry of Regional Development and Infrastructure website (www.mrdi.gov.ge) had 52855 viewers, the official websites of State Ministers for Reintegration (www.smr.gov.ge) and Diaspora (www.diaspora.gov.ge) were visited by 20 000 users, the State Procurement Agency (www.spa.ge) by 206874 and the Civil Registry Agency (www.cra.gov.ge) by 188818 visitors. The statistics of increase of number of users of official website of the Ministry of Finance of Georgia is particularly interesting: 309035 users in 2009 and three times more viewers in 2010 - 999402. The dynamics of increase of official governmental Internet-resources viewers proves that all preconditions have been created in Georgia for E-participation development.

As for development of electronic services in Georgia, positive tendencies are observed in this direction in 2010. Two institutions of the Executive Government appear to be leaders in this sector - Ministries of Finance and Justice. Many electronic services are accumulated on the official website of the Ministry of Finance of Georgia (www.mof.gov.ge): calculation of the cost of vehicle customs clearance, online system of calculation of property tax rates and coefficients, activation of completed registration forms by web camera, option of online completion and sending of declaration, completion of a public institution declaration, electronic customs clearance of mail, online auction and online payments. Besides, important data are available on the webpage: electronic budget, information on entrepreneurs, charity and cash-register records, etc. For more interaction audio/video explanations are integrated on the website. Launch of a separate web-portal of electronic services by the Ministry of Finance Revenue Service should be also mentioned (www.rs.ge) which will significantly facilitate taxpayer's activities.



The Finance-Analytical Service of the Ministry of Finance implements significant electronic projects in G2G and G2E directions: State Treasury Electronic Service System (eTreasury), Records Management Electronic System (eDocument), State Budget Planning Electronic System (eBudget), integration into a unified information system of financial management of the state sector electronic systems, integration into a unified system of state financial management of all electronic systems.¹¹

Electronic services have been introduced in the system of Ministry of Justice of Georgia as well. After implementation of the new initiative it became possible to notarize any consents, statements, letter of attorney online by using skype. It is also possible to receive legal advice on the Notary Chamber webpage (www.notary.ge). The electronic database integrated with regional offices of the National Agency of Public Registry have increased the level of electronic availability of public information to the population. Electronic registries of debtors of the National Bureau of Enforcement and enforcement record management operate (www.nbe.gov.ge). Statutory acts electronically published on the webpage of the Legislative Herald (www.matsne.gov.ge) have become legally valid. The Georgian citizens who are abroad have been enabled to obtain a passport by means of electronic service of the Civil Registry Agency. The Agency is planning to introduce a rather important innovation - electronic identity document (eID). This document will be a plastic card-like and will bear the owner's electronic signature. eID card will have functions of social payments, travel cards, insurance policy *etc.* Electronic signature will enable a citizen to carry out various online financial transactions and receive existing electronic services. Any electronic document signed by the card will be officially valid. In the early 2010 a new LEPL was established under the Ministry of Justice - Data Exchange Agency whose tasks are to establish data exchange infrastructure and information security development. For the purpose of facilitation of access to electronic services by users the Agency created a webpage www.e-government.ge to accumulate all electronic services existing in Georgia.

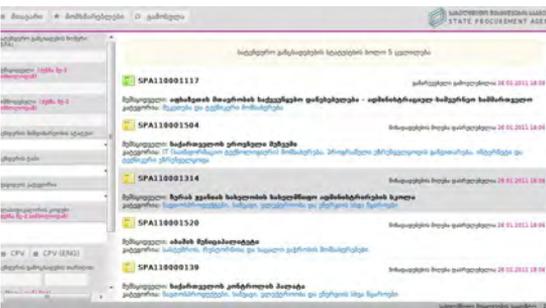
¹¹ <http://www.fas.ge/4219>



Portal of electronic services (Data Exchange Agency) - www.e-government.ge

At the same time the Agency plans to implement the E-Georgia Project under EU partnership. According to the official statement the project serves further development of e-Governance in Georgia and is divided into three stages: 1) Implementation of the best models of EU-adopted practice in the Georgian reality; 2) Introduction of relevant regulations and standards; 3) Ensurance of functioning of informational security systems by means of a strong institutional mechanism - Computer Emergency Response Teams (CERT). By means of the project the Agency plans to create a state interagency network, share the best experience of the EU countries and introduce a reliable mechanism of data protection.¹²

A number of positive tendencies are observed in Georgia in e-Transparency direction. First of all, introduction of a Unified Electronic System of State Procurement in the late 2010 should be mentioned. Creation of electronic resource of state tenders is a part of the approved National Anticorruption Strategy of Georgia. The web-portal ensures open, transparent and competitive environment for any person participating in procurement procedures. Such electronic system facilitates administrative procedures, ensures receiving information about procurement and makes the tender process transparent (www.procurement.gov.ge).

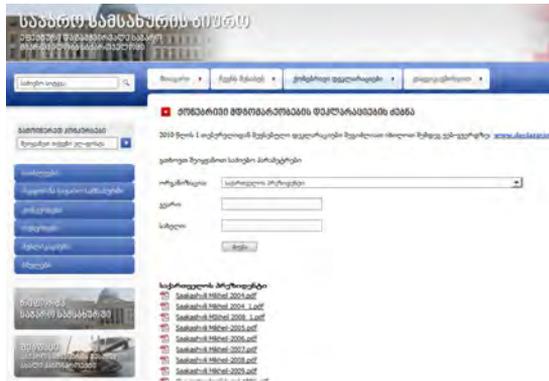


Unified electronic system of State Procurements <https://tenders.procurement.gov.ge>

One more important project directed at improvement of accountability and transparency quality is implemented in public management sector. The Civil Service Bureau has made the declarations of property completed by public

12 <http://e-government.ge/news-169-1.html>

officials electronically available (www.csb.gov.ge). The same Bureau administers a specially created webpage (www.jobs.gov.ge) which facilitates increase of awareness level among seekers of employment in public sector.



Search system of declarations of officials at the Civil Service Bureau webpage - www.csb.gov.ge

We have already mentioned that rather important databases are placed on websites of public authorities included in systems of the Ministry of Finance and the Ministry of Justice. Electronic availability of public information is one of the necessary components for e-Transparency development. State authorities possess significant public information about various social, economic and financial issues. Often it is problematic to issue this public information, mainly because of wrong management or limited resources. That's why leading democratic countries actively introduce standards of electronic availability of data in practice. For example, in the USA electronic public database is considered to be the most important e-Transparency project (www.data.gov). The same electronic database is operated in the Great Britain (www.data.gov.uk). Unfortunately the open data proactive publication policy does not bear an institutional or a unified legislative character in Georgia yet.

In conclusion, we may say that positive tendencies are observed in Georgia in the direction of e-Governance development. Modern informational technologies are introduced in practice and significant electronic projects are planned. Governmental commission supporting e-Governance development has been operating since 2007. The Commission is directly administered by the government Chancellery and it includes experts of this sector as well as representatives of public institutions which are engaged in the process of introduction of e-Governance in Georgia. The aim of the Commission is to develop a strategic plan of e-Governance development and coordinate interaction between various agencies in this direction. Unfortunately, very scarce information can be found via Internet about activities of the Commission. No strategic document or Action Plan on e-Governance and informational society has been created at this stage. Global tendencies confirm that "one-stop" principle is a key to successful e-Governance (Kazakhstan's example can serve as an example). Accumulation of all informational resources and e-services on one specific web-portal significantly facilitates user's access to information and services he requires. At the same time, it should be mentioned that the planning and coordination commitment for effective introduction of e-Governance should

be imposed from the top, i.e. from the government. This necessary condition of e-Governance is well defined in the Concept “Electronic Government: Principle of Organizing a Governing Body by modern technology” developed by the “Effective Governance System and Territorial Organization Reform Center”:

“Creation of electronic governments at a national scale, i.e. mass transfer of governing bodies of all levels (central, regional and local) and sectors and public authorities to the principle of carrying out activities on the basis of information technologies, implies making political decisions of the most significant and comprehensive nature by the central government at least in three key directions. These directions are:

- State Policy of Informatization;
- State Policy of the Governance System Decentralization;
- State Policy of a Rational Public Service creation.”¹³

In our opinion, any separate Ministry will not be able to effectively plan and/or implement a comprehensive and multi-component e-Governance (central, regional, local levels) program. The central government should ensure creation of relevant technical-technological (providing the country with computers and connection to the global Internet network, creation of telecommunication infrastructure), institutional (logical system of public services, competencies and interaction) and informational environment (participation of society). The government should ensure eradication of technical/IT educational underdevelopment of the regions with planned programs and investment, develop social E-participation policy, introduce e-Transparency standards, create appropriate legislative framework *etc.* We express our hope that concerned public sector will be also engaged in development of this field and new standards of electronic democracy will be introduced in Georgia by means of creating informational society.

13 http://www.cegstar.ge/index.php?lang_id=geo&sec_id=46&info_id=1084