"Digitalization in Public Services: Enhancing Transparency, Securing Data Protection"

Prepared for Working Group I by

SHARE Foundation

Aspen Institute | Germany   SÜDOSTEUROPA GESELLSCHAFT

Civil Society & Think Tank Forum I
Road to Berlin

June 01-02, 2021

Western Balkans Summit Berlin 2021

Why is Digitalization in Public Services Important?

There are no longer borders between the material and digital. This has become even more evident during the COVID-19 pandemic, as millions of workers across the globe transition to home offices and others become some kind of temporary freelancers in terms of work environment. With lockdowns and only essential businesses such as pharmacies and grocery stores open, there are few services and products left that you can't order online through an information system – most likely an app on your smartphone or a dedicated webpage.

Even before this global crisis, states sought ways to improve their administration and procedures, and consequently their citizens' lives, with technological solutions. Applying for government funds and permits, renewing passports, or paying various taxes and administrative fees online are well on their way to becoming the standard. As McKinsey points out, the four main benefits of digital public services are 24/7 accessibility even during the pandemic, citizens spending about 50% less time spent interacting with public administration, more than a 50% decrease in costs for companies interacting with public administration, and 60% less case-handling efforts thanks to process automation. Having all this in mind, McKinsey claims that "accessing public services could be as easy as online shopping." With all the resources at the disposal of governments and citizens' expectations, there is no reason why it shouldn't be.

It was expected that "pen and paper" record keeping and administrative procedures would be a thing of the past by 2021, and while that may be nearly true in the world's most advanced societies, such as those in Western Europe or North America, regions like the Western Balkans seem to be lagging. However, availability and affordability of digital tools to governments don't seem to be the problem – so, what are the key issues for digitizing public services and what could be done to improve them?

Digitalization in Western Balkans and EU Integration

At the Western Balkans Summit in Sofia in November 2020, the European Commission and Western Balkan leaders agreed on the Declaration on the Common Regional Market and the adoption of an Action Plan for the 2021-2024 period. A consensus was reached that a strong digitization effort is necessary in order to bring the region closer on the EU path. A stronger reliance on digital technologies will be a top priority, and the EU is committed to aiding the region in this context. The Summit echoed the 2018 Digital Agenda for the Western Balkans which supported a transition into digital economies in the region and stronger digital infrastructure. Some of the key points of the agenda were strengthening the digital economy, broadband penetration, an improvement of cybersecurity, and boosting digital research efforts. In the case of the EU, the 2020 e-Government Benchmark report concluded that every one of the 36 countries measured has improved the digital delivery of public services based on user centricity, transparency, key technological enablers, and cross-border mobility.

Digital Services and Legal Framework in Western Balkans

Albania

When it comes to online public consultations, Albania has an Electronic Registry portal, which aims to present drafts of all upcoming laws and is open to comments. However, the portal has not proven to be an efficient public forum in practice, since CSO representatives have confirmed that the comments and suggestions on the drafts made through the portal have not been published. Regarding the Strategy on the Digital Agenda of Albania, which expired in 2020, the laws regulating e-technologies were deemed outdated and should be updated. The e-Albania portal offers citizens and businesses a total of 591 e-services, including access to family certificates, certificates on individual contributions, health cards, personal certificates, applications for construction permits (e-permit), certificates for unregistered individuals, and marriage

certificates. This makes Albania's government portal the public online platform with the highest number of services offered in the region. However, it still lacks adequate interoperability between the public institutions.

Bosnia and Herzegovina

Bosnia's digitization efforts are still in a very early stage of development: there has yet to be any overarching strategic or regulatory framework presented in regards to comprehensive government digitization efforts, especially functions on cantonic, entity, and local levels. However, in 2017, the Council of Ministers of Bosnia and Herzegovina formally adopted the Policy of Electronic Communications of Bosnia and Herzegovina 2017-2021 which is on par with the EU Digital Agenda. Albeit, the policy lacks coordination across ministries and entities. which presents persisting issues for questions such as the functionality of government e-services. According to UNDP's digital transformation project in the country, Bosnia and Herzegovina is among the few countries in the world without a single fully transactional service provided online and without a single electronic document issued by a public authority.

Kosovo

Kosovo has the best internet coverage of all the Western Balkan 6 countries, with over 93% of households covered. However, it is important to note that Kosovo has the second smallest population of the WB6, with 1.7 million people, followed only by Montenegro which has around 620,000. This high coverage score is a result of the Kosovo Digital Economy (KODE) Project, a government initiative funded by the World Bank focused on enabling high-speed internet access in the country and improving the digital infrastructure. The KODE project also supports innovations in Kosovo's digital economy in the areas of service usage and learning.

Montenegro

The new Law on Electronic Administration adopted in 2020 stipulated the mandatory use of information and communication technologies for all state and local institutions when performing tasks in communication with citizens, companies, other legal entities and entrepreneurs. The number of e-government services offered in Montenegro and the number of e-government services users is the lowest in the region, with 8500 requests submitted through the portal and around 170 services offered, which places Montenegro at number 75 on the 2020 E-Government Development Index.

North Macedonia

North Macedonia's e-services development is proven to be progressing positively. An analysis of the system showed that the majority of services can be executed completely online with no need for in-person follow ups. Additionally, within the Public Administration Reform Strategy for 2018-2022, a National Portal of e-Services aiming to harmonize and catalogue all services offered by central and local institutions was proposed. Alongside Montenegro and Serbia, North Macedonia has made strides in the banking sectors by offering digital tokens for online banking services instead of relying on traditional username and password methods. Notably in 2020, North Macedonia became one of the first countries in the world to get a digital identity service, which aims to improve the everyday experience of citizens, while at the same time increasing the efficiency of the public and private services on its way toward greater economic growth.

Serbia

When it comes to data on computer literacy, only about 34% of Serbian citizens aged 15 and up are considered to be computer literate, while around 15% are considered partially literate, leaving half of the population computer illiterate. In May 2020, the Ministry of Interior announced a new course which will run from the first grade titled the Digital World to familiarize students with the digital environment from a young age. This initiative is part of the new Strategy for the Development of Digital Skills (2020-2024) which was adopted by the Serbian government in February 2020, and is also a part of the Digital Agenda for the

Western Balkans which was announced in 2018 by the European Commission.

Legal Framework for Data Protection in Western Balkans

Data protection remains one of the main issues when digital services are employed. The European Union made considerable reforms in this field in 2016 when it adopted the General Data Protection Regulation (GDPR) which came into force in 2018. Since then, WB6 countries have begun to align their legal frameworks with the GDPR. However, this process is still not complete. It is important to note that the adoption of the legal framework is just the start of the process – there are many problems with implementation and enforcement of new rules.

Country	GDPR compliance	Laws	Explanation
Serbia	Yes	ZAKON O ZAŠTITI PODATAKA O LIČNOSTI	Serbia implemented both the GDPR and Directive (EU) 2016/680 (so called "Police Directive") with this law.
North Macedonia	Yes	ЗАКОН ЗА ЗАШТИТА НА ЛИЧНИТЕ ПОДАТОЦИ ЗАКОН ЗА ЗАШТИТА НА ЛИЧНИТЕ ПОДАТОЦИ	A new law which is entirely aligned with GDPR was enacted last February, its but application has been delayed for 18 months (will start from September 2021).
Montenegro	No	ZAKON O ZAŠTITI PODATAKA O LIČNOSTI NACRT ZAKONA O ZAŠTITI PODATAKA O LIČNOSTI	The Montenegrin Parliament is expected to adopt a new Data Protection Law to align its data protection law with the GDPR. However, there is no certainty when exactly such adoption will occur.
Bosnia and Herzegovina	No	ZAKON O ZAŠTITI LIČNIH PODATAKA	In 2018, authorities initiated the procedure for the adoption of a new GDPR compliant data protection law in BiH. It is expected that the Draft Data Protection Law will be adopted in its current text within 2021.
Kosovo	Yes	LIGJI NR. 06/L-082 PËR MBROJTJEN E TË DHËNAVE PERSONALE	Following the entry into force of the GDPR, data protection law in Kosovo has been amended and aligned with the GDPR.

Albania	Yes	LIGJ Nr.9887, datë 10.3.2008 PËR MBROJTJEN E TË DHËNAVE PERSONALE with amendments from 2012 and 2014	The law incorporates provisions of the GDPR. Compliance with the GDPR is determined in the strategy.

Challenges and Opportunities

Clumsy digitalization

E-government services in the Western Balkans can often be characterized as "clumsy digitalization" - good intentions with little or no knowledge of the basics when it comes to establishing an online service. This was particularly visible in times of crisis such as the COVID-19 pandemic, when states had to quickly adapt and create information systems which had never existed beforehand and integrate them into the existing digital infrastructure. Data protection and information security are often viewed as an afterthought, when it is usually too late.

SHARE Foundation has been monitoring violations of digital rights and freedoms in Serbia since 2014, having collected more than 700 cases as of May 2021. In 2019, SHARE and the Balkan Investigative Reporting Network (BIRN) joined forces to expand the monitoring process to 5 additional countries in the region. In our experience with violations concerning government information systems and databases, data protection principles and information security standards were at the heart of various incidents, from data leaks to security breaches. Below is a list of typical cases:

Albania - E-Albania Portal for Movement Permissions

During the coronavirus lockdown in Albania in 2020, all citizens were required to use the E-Albania portal to obtain permits for leaving their homes. Only one family member was allowed to use the permit daily and for two hours of movement, with permits varying for the types of movement, for example by vehicle, on foot to buy groceries, or to walk pets.

Bosnia and Herzegovina - Sarajevo's Centar Municipal Records Attacked with Ransomware

On June 8, the Centar Municipality in Sarajevo issued a statement claiming that their digital archive had been attacked "by a virus that locks documents," and apologized to citizens for being unable to issue any documents, including birth certificates, proof of nationality documents or marriage certificates. The issue was resolved several days later, but it remains unknown if contents of the database had been stolen in the process.

Serbia – Mass Data Breach of Adult Serbian Citizens' Data

A database containing the personal data of over 5 million Serbian citizens was published on the Agency for Privatization's website. The database was removed after the Commissioner's intervention and the Agency stated that the incident resulted from a hacking attack onto their server.

Serbia – Pandemic Information System Left Exposed Online

The login credentials for Serbia's COVID-19 information system were made publicly available on the website of a health institution for eight days. The system served as a platform for entering, analyzing, and storing patients' health data during the pandemic. SHARE Foundation researchers discovered this on the page while searching for information about the new legal framework for personal data processing in response to the pandemic. Relevant state authorities were notified and further access to the system was promptly disabled.

Montenegro – Montenegrin Government Publishes List of People in Self-isolation

The National Body for Infectious Diseases of Montenegro, with consent from the Agency for Personal Data Protection, published the names of persons who received mandatory self-isolation orders due to COVID-19. The decision was made after it was determined that some persons were violating the quarantine.

North Macedonia – Greek Hackers Post Usernames and Passwords From North Macedonia Ministries

Greek hackers infiltrated the North Macedonian Finance and Economy ministries, and then tweeted a list of staffers' emails and passwords. The hacker group that carried out the attack is known as the "Powerful Greek Army."

North Macedonia – North Macedonia's State Electoral Commission Under DDoS Attack on Election Day

The website of North Macedonia's State Electoral Commission, DIK, was under a DDoS attack for about three hours after the election day ended. A DIK spokesperson said that the alleged attack did not cause any serious harm to their system, although it did postpone the official announcement of the election results.

Open data

Despite concerns over data protection and security breachers, open data is one of the main opportunities when digital services are employed in the public sector.

"Open data and content can be freely used, modified, and shared by anyone for any purpose," famously states the Open Definition derived from the original Debian Free Software Guidelines published in 1997 during the early days of the free and open knowledge movement. This diversified movement eventually gave rise to the global call for governmental data (i.e. data collected and generated by publicly funded processes and operations) to be available to anyone with the possibility of redistribution in any form and without any copyright restrictions.

If a vision of freely exchanged knowledge in a connected world, for the benefit of all, is not motivation enough, there are much more practical aspects of opening data: the 2020 report on the Economic Value of Open Data estimates the open data market size at €184 billion and is forecasted to reach between €199.51 and €334.21 billion by 2025.

Yet, the amount of open data currently available in the Western Balkans is still limited, according to the latest full edition of the Open Data Barometer from 2016. Its later report from 2018 found that the most demanded datasets in the private sector were map data, public transport timetables, and data on international trade and crime. On the other hand, public data on health, education, and environmental management were most demanded in the public sector. The report on public sector information re-use in Europe from July 2020 shows the highest demand in maps and geodata, transport data, weather data, company registers, government procurement and spending, financial data, data on air quality, water quality, pollution, cadastral data, and purchasing data.

Digital Literacy

Digital literacy is one of the prerequisites for efficient digital services. Considered a basic skill, it is the capacity to consume and understand digital content and solve problems presented in a digital format. It is an essential requirement in order to achieve digital competence as defined by the Council of the European Union, enabling the use of information available to citizens – that is, to access, analyze, organize, produce, and disseminate information using the available technologies.

In a world where half of the population is online, including 70% of 15 to 24 year olds globally and virtually all young persons in developed countries (Measuring digital development: Facts and Figures 2020, ITU, November 2020), there is a wide variety of perspectives and methods for building and evaluating basic digital skills. In the global North, attention is paid to older age groups, while the so-called digital native generations of

the global South are more dependent on conditions within their countries.

There is no comparative data for digital literacy in the Western Balkans. According to some reports, as much as 51% of the population of Serbia is digitally illiterate. The situation shouldn't be drastically different than other countries of the region, yet this could be one of the major obstacles in further digitalization of the public sector.

<u>User-centric services</u>

<u>Defined</u> as the extent to which a public service is provided online, how the online journey is supported, and whether public websites are mobile friendly, user centricity is one of the eGovernment Benchmark's top indicators for measuring the maturity of online public service.

Although it still falls well behind, often lacking technical capacities and without various prerequisites fulfilled, the region has made considerable progress in improving public services online. In terms of user centricity – including online availability, usability, and mobile friendliness – the region scores 65% on average, that is 23 percentage points below the OECD-EU average (<u>OECD Government at a Glance: Western Balkans</u>, 07 Jul 2020). Albania has the highest level of user centricity in the region (74%), because of high scores in the usability of online services provided by the government and in the mobile friendliness of the online public services (higher than the OECD-EU average). Montenegro has the lowest overall score in user centricity of public services (59%) – its mobile friendliness of online services is also the lowest in Europe.

According to the European Policy Centre report, efforts by WB6 government in this field are reflected in a positive overall perception and awareness of the governments' work on digitalizing public administration procedures and offering digital services to citizens. Surveys show a shift from mostly negative to mostly positive opinions regarding citizen or CSO involvement in the monitoring of service delivery, believing that bottom-up monitoring contributes to the improvement of services.

BIH and Kosovo are the only countries in the region without operational national portals that provide digital services. Data show that more than a half of the population uses the e-service portal in Albania, while less than 15% of the Serbian population and only 1.5% in North Macedonia use the national e-service portals. In Montenegro, the high costs of obtaining digital certificates creates a considerable financial burden for users.

Conclusion and Key Discussion Points

Even though the topic of digitalization can be very complex, it is of the utmost importance to note that the digitalization of society, especially government services, is only reasonable if citizens are to gain from the process. One of the main guidelines in this process should be making citizens' lives easier.

Civil society has the position of a responsible party, and as such should have an active role in various ways. Organizations have expertise and the ability to convey the necessities of citizens to decision makers. They also possess the capacities to monitor the process of digitalization and raise the alarm about potential risks and issues in the process.

Key discussion points

- What capacities are necessary for CSOs to serve as active actors in the digitalization process of public services? Which specific areas of expertise are needed? What are the capacities that CSOs have at the moment?

- How can digitalization of the public sector derogate citizens rights? Examples? What system of checks and balances can CSOs use to prevent and/or raise the alarm in such cases?

- How can CSOs facilitate the implementation and enforcement of the strategic and legal framework that regulate digitalization and data protection?

- Open data is one of the best examples of how the digitalization of the public sector can benefit wider society. What datasets owned by the state can be utilized by CSOs for the benefit of citizens?

- How do we raise the digital competencies of citizens in the region? What is the role of CSOs in this process?

- What is the role of CSOs in making digital services in public sector more accessible and easy to use for citizens (user-centricity)?