

BUSINESS IN SERBIA PRESENTED THROUGH THE RELATIONSHIP WITH E-ADMINISTRATION AND INDIVIDUAL

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Abstract – The inevitable process of changes in various markets, globalization and development of new technologies that ensure fast exchange of information, has caused new conditions of business to be created in our country. Development of information technology creates a whole range of changes and it implies a new way of living and working for the users, especially in the sense of collecting information. In an environment that perceives the accelerated technological development as a condition that must be met, the industry and economy growth and development can survive only if they are constantly present in the center of the global IT happenings. IT has become a major initiator of changes and resolutions of problems in economy, social sphere and other, as well as a means of connection with the international community. This study will analyze the notion of e-business in the sense of legislative solutions that are proposed by the EU and the United Nations with a special attention paid to Serbian legislation; it also deals with the e-administration from the legislative standpoint together with the relationship between e-business- e-administration- individual. What receives special attention in this study is the relationship between an individual and e-business and e-administration so as to attempt to explain its position against these new phenomena in the society and, if possible, to try and discover new methods that would be beneficial in the attempt to clarify and make their relationship equal.

I. INTRODUCTION

The basic aims and directions of Serbian politics in the field of IT society development are defined in the document entitled "The Strategy for Development of the IT Society in Serbia". Based on the basic principles of European Administration Framework, this document defines the basic principles of the reformation in this field. As a member of the initiative for the Electronic South-East Europe that functions in the scope of the Pact for Stability of the South-East Europe, in the close of 2002 Serbia signed the South-East Europe IT Society Development Agenda. The aim of this Agenda is definition of state policy priorities and encouragement of the state to take responsibility for a faster development of the IT society in the country and the region, in accordance with the EU initiatives – e-Europe 2002 and e-Europe 2005. This implies the recognition of a greater number of legal texts in accordance with the EU directives that regulate e-trade, e-contract and e-signature. Hence, Republic of Serbia has adopted the Law on e-Trade, the

Law on e-Document, the Law on e-Communication and the Law on e-Signature. From the legislative viewpoint, Serbia has met virtually all normative preconditions for the establishment of the e-business in the country.

Apart from the European directives regarding e-business in Serbia, of the same importance is the Model Law on e-Trade created by UNCITRAL in 1996. This Law prescribes a set of internationally acknowledged rules with the purpose to provide assistance to countries that are striving to remove legal boundaries in the application of e-trade and to diminish differences between national legislations in this field. In 2002, the UNCITRAL Model Law on e-Signature and the instructions for its use were acknowledged. In the process of creation of the legal basis for e-business in Serbia, the aforementioned model law was taken as the starting point; however, a wider perspective for possible problems was taken into account with a special emphasis on the development priorities in Serbia and the traditional legal culture.

II. E-ADMINISTRATION CONCEPTUAL BASIS

E-administration is a term that has been very often used recently in different contexts. Rather frequently, it is presented as one of the more important preconditions for Serbia to enter Euro integrations. Also, it represents an inevitable condition for the provision of the greatest possible rights and freedom of Serbian citizens by state administration. Regardless the contexts that the term e-administration is used in, a great number of authors have tried to define the term and to provide a definition that would encompass everything that this term implies. Of course, the differences between the authors and aspects of their conceptual attitude towards the very notion have yielded a great variety of the notion's definitions.

One of the, so to say, general misapprehensions connected with the concept of e-administration is that it is made of the internet. In reality, it is completely different which means that e-administration does not consist solely of the Internet. It is undoubtedly true that the Internet is the most powerful mechanism used in performing tasks given to e-administration, but a similar effect can be achieved through use of other, mostly electronic devices, such as the simple telephone line, mobile and SMS technology, service providing centers or a combination of ITC and simple administrative procedures (when ordering

birth certificate by SMS with its postal delivery). This fact is of special importance and precious in countries where the concept of e-administration is in its beginning, the countries such as Serbia. It is an absurd expectation to transfer all the services and information provided by administration to the Internet immediately since this process is rather costly, complicated and time-consuming.

Apart from its great advantages, the concept of e-administration has the other side that is reflected in the numerous risks that follow it. Overly ambitious projects, lack of political initiative for the actual transformation of the way that the administration functions, insufficient capacity for the design and implementation of the solutions are some of the reasons that would cause the planned e-administration projects to fall through. Still, what can be named the major threats to the survival of the e-administration project is the privacy terms violation and safety risks. The very thought that virtually entire database of someone's life (ranging from personal to financial data) would be available on the Internet, surely frightens even the greatest optimists in IT. In other words, the administration has to be in the position to guarantee and take responsibility for an immense quantity of information. Also, any kind of security error would seriously and up to a great extent question the trust of the citizens in the e-administration.

III. DEVELOPMENT OF E-ADMINISTRATION IN SERBIA

In October 2009, Serbian government published the "Strategy for the Development of e-Administration in Republic of Serbia for the Period of 2009-2013". The strategy entirely coordinates with the Basis of EU policy regarding e-administration for which there was an Action Plan approved by the EU Commission in 2006. As it is noted in the very beginning of the Action Plan, it is the integral part of the i2010 initiative as a framework of the EU policy regarding IT society and media.

Serbian government adopted this i2010 initiative as the general framework for development of the IT society by signing the eSEE Agenda+ for the development of South-East Europe IT society. The strategy starts from the state of regulations in this field as well as from the accomplished results in the implementation of legal regulations. Of special importance is the implementation of the Law on e-Signature. By registration of certified bodies that issue qualified electronic certificates in December 2008, it is possible to use a qualified e-signature for signing e-documents so as to provide their legal validity and make them a means of providing evidence in legal matters, administrative, court and other actions. By this, one of the basic preconditions for the further development of e-administration was met.

The regulations of the Law on Electronic Document will have a great impact on the processes of modernization, rationalization and the establishment of e-administration. In this, a special attention is paid to the basic legal regulation that states that the document that was originally created in the electronic form is perceived as the original and that represents one of the key conditions for reformation of the existing procedures and

for the implementation of electronic public services for individuals and companies. Serbian government bases its strategy on the results of the ongoing projects such as introduction of electronic parliament sessions, electronic real estate register, the initial results of the introduced electronic services for certain business; also, of great importance for the development of e-administration are the regulations of the Law on the Personal Data Protection Law.

IV. INDIVIDUALS AND E-ADMINISTRATION

When speaking of the relationship between and the position of the individual and the e-administration, it is necessary to note that the e-administration is not an omnipotent database that could solve all the problems with one click. E-administration represents just one of the windows to the world in which there are numerous government bodies, organizations, services, starting from the level of republic to the level of the province and ending in the local level that represents thousands of administration clerks employed. In Republic of Serbia, the internet portal eUprava officially started working on June 11, 2010 and it represents a unique on-line window towards electronic services of the public administration instances provided to individuals and companies. Use of the infrastructure for the provision of electronic services is available for all instances of the public administration. Electronic administration makes it possible for the local administration to provide services for individuals and companies online easily. This implies cost cutting, optimal and efficient work and less time spent in front of desks.

By accepting United Nations and especially European Commission directives, it is assumed that the development of the e-administration will take the right course, whereas the pace of the implementation of the project depends directly on the political will. The level of legislative activity is on an exceptional level, especially if we take into account the fact that Serbia has adopted almost all the laws proposed by Euro Commission; at the moment, Serbia's greatest challenge is the implementation of legislative regulations and the best possible functioning of the e-administration.

An important step in creation of the e-administration, maybe even on the level of connecting Serbia and the EU, has been made by the Agency for Business Registers by it signing the Memorandum on the understanding with the German region North Rhine – Westphalia. Based upon this document, Serbia has entered a pilot project for creation of a platform for electronic exchange of data about registered companies. The goal of this project is to establish a common database of companies, their subsidiaries and financial reports for Serbia, Germany, Ireland, Austria, Switzerland and Macedonia. The project will serve as a pattern for the establishment of a universal system of registration and companies databases on the level of the entire EU; this is expected to be completed not later than by 2014.

V. OMBUDSMAN AND E-ADMINISTRATION

The factor that must undoubtedly be taken into account in the processes, the processes of the introduction of e-administration and creation of the universal office system that has not been used to the real extent yet, are the non-governmental specialized bodies organized for the purpose of the administration auditing. By this, we primarily mean the institution of the Ombudsman on the level of the state, province and the local level of government. A certain extent of influence can be attributed to the institutions of the Trustee for Information of Public Importance, the Trustee for the Protection of Equality and all other nongovernmental organizations, the representatives of relevant associations and organizations. All these organs, named by this term universally, have the goal to control the administration in a way and to help it in its communication with Serbian citizens. In this cooperation with the administration, these organs have a direct contact with the citizens as well as with the administration; hence they have a clear perspective of the problems without any other influence.

The primary task set for these organs, and especially for the institution of the Ombudsman is to, in the initial stage of this program's realization, represent the problems that have, up to now, been detected regarding the work of administration together with the reasons that brought them about. After this, it is necessary to present all the consequences following this way of work and practices, especially from the perspective of the provision of citizens' rights by administration and from the perspective of financial hazard of this way of work for the state budget. Of course, this analysis would enable us to reach the core of the problem and the ombudsman and all other independent institutions would be obliged to point them out as well as to actively propose solutions. If the exclusion of all the organs outside the state structure is continued, the task will be ill-performed and it will be prevented from functioning in the way sufficient to meet standards set by all the parties involved in the process, i.e. both the citizens and the administration. This is the conclusion that can straightforwardly be made from the current practices of administration and realization of keratin projects that were left only as theory exactly for the lack of the "real perspective".

In this manner, the ombudsman's role in the e-administration is a very important one. On one hand, it is commonly believed that once the e-administration has been introduced, once the direct contact of citizens and administration has been established once the universal office has been made, the need for the ombudsman will cease to exist. This way of thinking is wrong since the very sense of the institution and its task are not exploited by the number of administration organs and by improvement of the contact with citizens, but it is reflected in the assessment of legality and concordance with rules of the administration practices when it is to decide on concrete rights and freedom of the citizens. On the contrary, by establishing e-administration and a universal office, it will be possible for the ombudsman to access administration and its management more easily

which in turn will result in a faster and more efficient performance of the ombudsman himself.

VI. POSSIBLE DIRECTIONS IN FUTURE DEVELOPMENT

Not in a single segment has the e-administration reached the level on which it can completely substitute the direct and written interaction between the state organs and citizens. In EU countries, on average, there are more than a half of services completely available online. Development of the status indicators (of the national portal user orientation) is in front of Serbia, since both these aspects are rated zero.

The ratings for e-administration in Serbia can be improved by adding new information and forms to the existing internet sites. However, for a significant development of e-administration to be achieved in Serbia, it is essential to implement back-office applications that would provide services for the users, realization of registers integration of information from databases and the inter-operability of applications that provide these services.

The existence of the e-administration portal with, for now, a modest capacity of state organs and local administrations participation can barely be the pillar for the further development of e-administration in Serbia. Namely, according to the latest surveys, the participation of local administration in the e-administration portal is about 30% of the total number, whereas only around 30 state institutions have posted their services on this portal. If seen from a critical distance and compared to the situation in the past, this is a rather good result because it represents a great improvement in the approximation of e-administration to citizens of Serbia. Until recently, e-administration was only debated about as a theory, whilst no actual legislative measures were taken. In the last couple of years, it can be said that there has been extensive activity in the attempt to increase the presence of IKT in the administration itself, but with the citizens as well, which surely leads toward creation of the universal e-administration. Legislative activity in this direction has been intensive and the largest portion of documents has been made (both legal and sublegal) so as to make this strategy implementation possible; On the other hand, the technical part of this work has taken a great intensity by setting up a website of the e-administration than provides citizens with services of state organs and local communities. Certainly, we all have a long way to achievement of the final goal, the creation of the universal office for citizens at which they will address the administration, but we have to state that Serbia is taking truly serious steps towards its accomplishment.

One of the important conditions that must be met in order to accomplish the goal is to attain the absolute political concordance in the necessity and the need for the universal e-administration; this is, to create a system and accomplishment of the idea of the universal desk for the citizens. The political will must be absolute in the sense that all relevant political factors support this project both

verbally and by concrete proposals and initiatives. The largest part of this project implementation is to be taken by the governing structure but it is also very important to note that those political factors that do not participate in the government are responsible for the success of the project as well. This project is the absolute benefit for all citizens and has to be the absolute priority and goal for all political structures.

The realization of this project, the project of the universal office implies a long and hard work. The work must be done by all social factors with a special contribution and engagement of the parties directly involved in the relationship. A special contribution is expected to be given by administrative organs (state, local and nongovernmental ones), especially for the reason they are directly and constantly connected with the citizens who expect and demand realization of their rights and protection of their interests. These organs are well familiar with the situation in its very structure where the problems are in organization, where they are in techniques and where there are problems regarding legislation and procedures. As a contribution from the other side, it is expected from the citizens to be active since they represent the other side in the process, the side that is eager to reach the best and the most quality solution possible. The citizens are rather familiar with the problems they encounter when it comes to "administration" and with the ways to overcome them. By giving their proposals and sharing their experiences they can help in making the system better organized and improved for the common benefit.

VII. CONCLUSION

E-administration is a segment that has been paid a lot of attention to in the recent years and that is expected to grow and expand more in the future. The awareness of the organized adjustment of the ancient administration to IT society in Serbia arose later than in European countries. Nevertheless, the goal to reach a modern e-administration can be achieved if examples of good practices in certain countries are followed.

In certain domains, Serbia can be proud of its good examples when it comes to application of all the principles and rules for e-administration. Of course, the examples are scarce but they should, nonetheless, be mentioned. Primarily, what needs to be mentioned are the activities performed in creation of the Central Register that can be accessed by all authorized officers from all Serbian cities. Next, what should also be mentioned is the Agency for Business Registers and its activities regarding registration of business subjects as well as its international cooperation in the attempt to create a universal database of companies on the EU level; Ministry of Internal Affairs and SMS service used for making appointments for issuing IDs and passports; the Tax Administration of Serbia, eUprava portal etc.

The conclusion that can be made after the entire situation analysis is that Serbia has been actively involved in creation of a favorable environment for the establishment of e-administration, as well as that measures

have been taken for the purpose of realization of this project. It is obvious that we are in the beginning of the process but that we have a chance to progress rather quickly and to reach a significant level according to European criteria. Our advantage is reflected in the fact that we have a good legislative regulative, high motivation of the directly involved executives and participants of the project and the great enthusiasm of the IT specialists who are to complete the entire project in order for it to function well. The last link in the chain that is necessary to direct the project in the right way and at a satisfactory speed is the political will and its uncompromising attitude that the project must be realized for the good and the interest of the entire society.

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