

THE CONCEPT OF E-ADMINISTRATION IN THE HUNGARIAN REGULATION

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ABSTRACT: *The appearance and the spread of the information technology and the availability of the e-services opened up a new chapter "within the history and relationship between the EU and its citizens by providing a new quality of relationship- and service system"*(Lapsánsky, 2013, p. 352)(Veszprémi B., Czékman Zs., 2013). *The appearance of information technology can be dated to the XX. century. In the beginning, the technology formed the business and private sphere by providing new technological tools in the starting and maintaining of relationships. This process fastened and developed and nowadays the business and private sector can reach services electronically provided by the administrative sphere in order to keep contact with the state. The electronization process of the public sphere and the administration is a huge step forward which formed and transformed the role of the state as well.*

The topic of my paper is this smaller but significant part of information technology, the e-services having a special regard to the situation in the European Union (hereinafter referred to as: EU), especially in Hungary.

KEYWORDS: *e-services, e-administration, EU, Hungary, IT*
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1. INTRODUCTION, THE DEVELOPMENT OF THE REGULATION OF E-SERVICES IN THE EU

Parallel with the appearance and spread of information technology (hereinafter referred to as: IT) a new function of state developed. This function is to provide services. The state went and goes through a development together with the society. The function and role of the state depends on the level of the society and the economics. Until the end of the XIX century among the functions of the state the direction of public authorities and the functions related to national defense were dominant. This model was the so-called pure liberal model, the 'night-watchman' state. In the last period of the XIX century, civic values got involved in determining the role of the state. These values were (and still are): public education, health-care (especially: epidemiology), poverty policy. These were the values of the evolving civil society. We can speak about welfare state from the mid of XX century, where the demands of the welfare society got the emphasis for the state to fulfil. The demands of the welfare society are among others: the appropriate

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use of economic resources, the maintenance and protection of environment, the ensurance of general welfare in the society, aid system, social insurance system, unemployment policy, etc. The role of the state changed again and again in the XX century. The socialism broke into Europe in different places with different values and objectives. On the one hand, the totalitarian state appeared with the idea of the total and limitless state power, the attempts of convergence, etc. This totalitarian state - now disregarding the disadvantages - required a great organisation work, cooperation which encouraged the development of the administration. All activities should have been coordinated and centralised to one place and create a state structure like an 'all-seeing eye'. The fifth step in the development of the state is the appearance of the developmental state. New values come in fashion such as to ensure the state competitiveness, achieve and uphold economic development and growth. The link between the opportunities given by the information technology and the demands of the consumer society lead us to the most modern function of the state: the provision of services. Nowadays, everything is available on the internet through technological items, therefore the fast and comfortable administration has to be ensured not only in the private and business but also in the public sphere. Thus, public administration and procedures have to be improved, modernised. This is the task of the state because the public administration belongs to the state.

The modernisation reaches more and more role in our everyday life and in every field of life. The European Union is competing with the USA and with the developed Asian countries in the world market. For this purpose the internal (single) market was developed, the four fundamental freedoms are allowed and for the improvement and enlargement of this single market action plans, programmes and unique environment for regulation are available. This unique environment includes the regulations concerning with IT. In order to develop and disseminate services the provision of the broadband internet access became an objective, such as the wider availability and further success of secure e-commerce, and the electronization of administration. Significant step is to emerge the informational society, because nowadays the informational equipments concerned as "society-shaper forces" which leads to the completion of informational society. This demand was recognized by the EU in the 1980's. That time several official European programmes were established in order to improve the informational technology as an EU policy. These programmes were for instance: ESPRIT, RACE, AIM, DRIVE, DELTA. The European Council approved a plan in 1993 in order to work out the IT politics. At the same time an expert group was appointed to fulfil the plan. The group was led by *Martin Bagermann*¹. The group issued the Bagermann-report (BAGERMANN, 1994) in 1994. The consequence of this report was that the European Committee submitted the "*Europe's way to the Informational Society*"² action plan to the Council in 1994. The next step was the disclosure of the "*Europe in the frontline of the global information society: an continuous action plan*" document in 1996 which "summarized the necessary tasks in order to step further in the process towards the information society" (TORMA, 2002). Following the previous steps, the European Parliament and Council adopted the

¹ Martin Bagermann: European Commissioner

² Europe's way to the information society. An action plan – communication from the Commission to the Council and the European Parliament and to the Economic and Social Committee and the Committee of Regions COM/94/347 Final

European directive on electronic signature (1999/93/EC), then in 2000 the directive 2000/31/EC on e-commerce. In 2000 the "e-Europe" (*e-Europe – An Information society for all*) recovery programme was announced, then in 2002 the "eEurope 2002" action plan. This action plan was developed further, the result was the "eEurope 2002+", which "envisioned the idea of a multispeed Europe, because it was obvious that the recently acceded states and candidates have significant lag compared to states which are already members of the EU, but the rest of the lag can be brought in until the pre-accession phase. [...] The IT policy of the EU can be separated for two sides from this on. The first direction can be realized in the field of client-centered relationships, the state as a provider tries to provide the electronic application of G2C and G2B as a provider state (these are called: *front-office services*), and the second direction deals with the internal courses of businesses (like state organisations) which relation can be presented as G2G relationships. In this second direction the requirements are addressed to the member states and the central institutions of the EU (*back-office services*)."(Lapsánsky, 2013, p. 352) As a consequence of the action plans a so-called provider-list was adopted. This involves taxative those services which shall be promoted by the member states electronically. The name of this list is: *Common List of Basic Public Services (CLBPS)*. The next further step was the adoption of the *eEurope 2005* action plan in Sevilla, 2002 June. Within the frames of this action plan the European Parliament and Council issued the decision 2004/387/EC, which determined the interoperability as a principle. "The interoperability is the ability for changing information of the ICT systems and business processes supported by them in order to share the information and the knowledge."(Lapsánsky, 2013, p. 355) The directive no. 2006/123/EC on services in the internal market was a milestone, after that the Decision no. 2009/922/EC of the European Parliament and Council of 16 September 2009 on interoperability solutions for European public administrations (ISA) was again a big step further in this process. One of the latest and greatest developments of the IT is the working out and disclosure of the *Digital Agenda for Europe (DAE)*³ strategy. The aim of the *Agenda* is to achieve an digital single market based on the fast pace and broadband internet and the interoperability applications in order to sustain economical and social advantages. [...] Therefore, the digital single market would be created following the example of the single market of the EU. [...] This treats the state as a provider so as a player of the market."(Lapsánsky, 2013, p. 357)

2. THE PRESENT SITUATION OF IT AND E-SERVICES

The role of e-services in our daily life is not negligible anymore. More and more services can be reached through the technological equipments and the internet, and also many can only be availed in an electronic way. My paper deals only with the e-services in the public sector, therefore I do not examine the e-services and e-commerce in the private sector. The e-services are the results of a development process which I presented in the first chapter. According to the *Internet World Stats*⁴, in 2000 there were 360,985,492

³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A Digital Agenda for Europe, COM(2010) 245 final/2

⁴ Internet World Stats: an International website that features up to date world Internet Usage, Population Statistics, Travel Stats and Internet Market Research Data, for over 233 individual countries and world regions

internet users in the world while in 2012 this number increased to 2,405,518,376. This means an 666,4% growth in the whole world within 12 years.⁵ This indicates the significance of the relationship of law and informatics. Europe gives the 21,5% of the internet users of the world (from the data of 2000 it reached a 393% growth). It is a very big number if we consider that Europe only gives the 11,7% of the population of the world. This number is significant enough to be regulated by law. Parallel with this growth and development some kind of legal environment was created (and it is still under creation). Society became information society, administration system became at least partly electronic, the role of the government changed and now, after a few decades from the appearance of the first computer, we speak about a new society, a new administration and a new type of government. Technological development brought a much more bigger change within a shorter period of time in our lives than the industrial revolution used to do.

In the first chapter I presented the brief history and the main steps of the process of the development of e-services. Maybe the most significant point of it is *the Common List of Basic Public Services* (CLBPS) determined by the EU. The CLBPS is one of the significant consequences of the *eEurope 2002* Action Plan which included an exhaustive list of services shall be provided electronically by the member states. This list involves 20 services: 12 for citizens and 8 for businesses, however it not concretises the quality level of the services. According to the Action Plan these certain services must be provided by the member states until the end of 2002. The services provided for the citizens are related to income taxes, job research services, social security benefits, personal documents, car registration, application for building and permission, declaration to the police, public libraries, birth and marriage certificates, enrolment in higher education, announcement of moving, health-related services. The services shall be provided for businesses are social contribution for employees, corporate tax, VAT, registration of a new company, submissions of data to statistical offices, customs declarations, environment-related permits, public procurement. The fact is that to provide these services online by member states till 2002 was impossible to achieve. According to the datas of the *Eurostat* between 2002 and 2010 the Full Online Availability (FOA) increased from 23% to 78% in the case of citizens, while in the manner of businesses the growth was from 49% to 89%. It meant totally an approximately 50% growth in total.

After the *eEurope 2002*, as in the first chapter I summarized other action plans were issued by the EU. The actual strategy (between 2011-2015) is the *Digital Agenda for Europe*⁶. The Digital Agenda for Europe is one of the seven flagship initiatives of the Europe 2020 Strategy, set out to define the key enabling role that the use of Information and Communication Technologies (ICT) will have to play if Europe wants to succeed in its ambitions for 2020." In the Introductory part of the Agenda, the main objective is also determined as "work smarter", because this "is the only way to guarantee increasing standards of life for Europeans".⁷ This objective involves the idea of a digital single market, following the idea and reality of the European single market. This idea treats the

⁵ This statistics can be find online: <http://www.internetworldstats.com/stats.htm>, [Accessed: 06.05.2014]

⁶ A Digital Agenda for Europe, COM(2010) 245 final/2, quoted above

⁷ A Digital Agenda for Europe, COM(2010) 245 final/2, Introduction

state as a provider which gives the chance for G2C, G2B and G2G relationships in the future. The strategy gives a frame for e-governmental tasks as well. One aim is to encourage the G2C relations because very few citizen use the online services. One reason according to *Zsolt Czékmann* and *Bernadett Veszprémifor* for this difference between the popularity of the G2C and and G2B online services is that these services cannot be reached from another member state, therefore it not facilitates the mobility of the citizens' sphere. Thus, the EU needs a more effective cross-border cooperation among the administrative authorities. The services have to be extended to other member states as well. The member states agreed to meet these requirements before 2015 and start to provide online e-governmental services. The final future objective is the achievement of the unique, provider public sphere, the *European Administrative Area*.(Lapsánsky, 2013, p. 358)

By analyzing the statistics and examining the EU legislation, we can see, that the development of technology increased the number of personal computers, then the use of the internet spread incredibly fast and this development encouraged and forced the state (and the EU) to react. I mean under reaction to realize the opportunities hired in technology, to support the further achievements and to warmly welcome the results. I examine how far are these countries from the final aim, the *European Administrative Area*, what conditions are still needed. I take an attempt to give proposals for developing to Hungary.

2.1 The evolvement ofe-services in hungary (2004-2009)

First of all, the administration has two sides. On the one hand it is intended to fulfil the state obligations, therefore this is the side of the administration from the point of view of the state institutions. On the other hand however, there are the citizens, the human who has administrative duties and has the right to fulfil these effectively without any violation of rights, harmful action or disadvantage. In order to avoid violation of the rights of citizens and users the administration (broadly the state) has to provide services which are user-friendly, quite simple and easily understandable. The Hungarian administration system focuses on the client-centered public administration in theory. A good example for this client-centered function is the realization of the *eMagyarország (eHungary) Programme*. The primary aim of the *eHungary Programme* is to "increase digital literacy nationwide and thus to reduce the e-skills-gap. The eHungary programme, implemented in 2007, rolled out ICT infrastructure across the country in the form of a network of 1600 so-called eHungary Points. eHungary Points are public Internet accesspoints (PIAPs) providing free of charge Internet access to anybody. It was soon realised that human assistance needs to be provided at eHungary Points for them to achieve their goal. A training programme was started to provide 1,400 people with re required IT expertise to work as *eCouncillors*. These are employed at *eHungary Points* and provide free of charge personalised help and IT support, organise trainings for local citizens, help find job opportunities and provide all type of administrative help according to local needs."⁸However, there are still many gaps to fill, many processes to develop. The main objective is to reach the service-provider-state. One of the main factors of it is the

⁸ Official page of the *eHungary Programme*: <http://www.emagyarorszag.hu/web/guest/ehungary-program>, [Accessed: 14.05.2014]

development of electronic administrative systems and a supporting system for it. By providing e-services the state offers a faster and more effective administrative system in order to facilitate the everyday life of citizens, entrepreneurs, civil organisations and also the administrative sphere. In Hungary there are several legislative products affect the e-services. The legislative product which regulates depend on the type of e-service which is regulated.

In order to see the difficulties of the application of the e-administration, it is necessary to examine the development of the procedure. This facilitates to understand the conceptual development of electronic administration and electronic public administration.

The first base⁹ of the rules concerning digital services was laid down by the Act CVIII of 2001 on Electronic Commerce and on Information Society Services in Hungary. Though the Act shall not apply to information society services provided and used in any court action or official proceeding¹⁰, the awareness-raising effect of it is undeniable. The regulation of the e-administration in court action and official proceedings became the part of legislation in 2004, by the Act CXL of 2004 on the General Rules of Administrative Proceedings and Services (hereinafter referred to as: Ket.). It is important to mention that the Ket. was entered into power after Hungary acceded to the EU, therefore it contains the characteristics arising from the European legal harmonization.

An example for this feature is the X. chapter of the Ket., about the electronic procedure which creates the opportunity of the electronic way in the court action and official proceedings. Until this regulation, the electronic procedure was unknown (but not without antecedent¹¹) in the Hungarian legislature. The Act defined at the first time the e-administration¹² and electronic way¹³, opening the door to the usage of electronic documents in official proceedings. However, the door was only theoretically open, though the government and the local governments got the authorization to exclude certain cases from the application of the electronic way. In practice the rest of the cases were excluded from the electronic way¹⁴, therefore only a narrow gap was left for the electronic procedures.

In this first period the central electronic provider system was created which can be named as the foundation stone of e-administration. This system bases the practical front-office and back-office procedural order of e-administration. This central system includes the infrastructure of the communication, the backbone network of the e-government, the national governmental portal (magyarorszag.hu), the governmental client information center, the electronic Client Gate and the Office Gate. The efficiency of the system is

⁹ We have to note, that the digitalization of databases started earlier, however it cannot be defined as e-services because the lack of the front-office feature. (Though one determining feature of the modern, provider administration is missing.)

¹⁰ Act CVIII of 2001, 1 para. (3)

¹¹ Act XXXV of 2001 on Electronic Signatures, the 1999/93/EC directive of the European Parliament and Council on the electronic signature, Act CVIII of 2001 (Eker.)

¹² Electronic administration includes the fulfillment of official procedures electronically, handling the all arising formal and material working stages

¹³ Electronic way: means the procedural actions via optical or other electro-magnetic devices. Procedural actions: data-processing, storage, transmission

¹⁴ The reason in general can be determined as the lack of infrastructure and the lack of financial sources (in order to create the infrastructure).

questionable, because several problems of safety and dependability have already arisen through the functioning. However, the system has undeniable significance as it is the first electronic provider surface between the clients and the authorities.

2.2. Electronic public services, a centralised providing system (2009-2012)

The budget and the legislative environment of the EU between 2007-2013 brought the breakthrough. One of the objectives of the eEurope 2002 action plan¹⁵ was to develop the information society and determined those "minimal" services which have to be provided by the member states for the private and business sphere¹⁶. The new budget ensured the sources to this, the main focus was taken to the development of electronic services. (Keringer, n.d.) The eEurope 2002 action plan continued to develop to eEurope 2005 action plan in harmony with the new objectives of the budget (and maintaining the original objectives as well). Then, the new budget determined the further development of information society with extended context in the i2010 action plan^{17, 18}.

The EU's growing actions in the improvement of the information society are both opportunities and obligations for the member states. A result of this was the 2006/123/EC directive (12 December 2006) of the European Parliament and Council on services in internal market¹⁹, which gave the starting shot to the legislature of the member states. The result of this process in Hungary was the reconsideration of the public service. The regulation step out from the sphere of the administration, the Parliament made a comprehensive service law. The implementation of the directive was realized by the Act LX of 2009 on the electronic public services.

The Act LX of 2009 repealed the provisions of the X. chapter of the Ket. concerning with electronic procedure rules (which were mostly technical provisions) and created its own definition-system. This Act opened that previously mentioned theoretically opened door which was created by the Ket. The electronic procedure is turned into electronic public service²⁰ which ensures broader frames to the application of the digital way in official proceedings and only acts and governmental regulations can restrict the range of electronic services (compared to the Ket. which gave broader barrier-system). The Act functions as a frame rule for the range of services and rather functions as a principal

¹⁵ http://europa.eu/legislation_summaries/information_society/strategies/l24226a_en.htm [Accessed: 21 June 2014]

¹⁶ Common List of Basic Public Services includes those 12 services which must be available electronically for the private sphere, and that 8 services which have to be available for the business sphere, http://ec.europa.eu/information_society/europe/2002/action_plan/pdf/basicpublicservices.pdf [Accessed: 21 June 2014]

¹⁷ European Digital Agenda for Europe http://europa.eu/legislation_summaries/information_society/strategies/si0016_hu.htm[21 June 2014]

¹⁸ CSÁKI, Gy. B., (2010): *Az elektronikus közigazgatás tartalma és egyes gyakorlati kérdései*, HVG Orac Kiadó, Budapest, t., pp. 121-123.

¹⁹ The following principles determine also the legislative directions of the member states: the simplification of the administration, the right to the information in the e-administration, one-window processing, proportional procedural fees, faster procedures, the optional feature of e-administration which involves the possibility to change in every stage of the procedure, protection of personal rights, client-centered methods.

²⁰ Electronic public service: the electronic accomplishment of the the official and other type of activities and providing data from official databases, using the central electronic provider system, according to the provisions of the Act LX of 2009 for those who are obligated to provide e-services and other organisations providing e-services.

"frame" to which the special detailed rules and provisions can be found in governmental regulations (correctly).²¹

The speciality of the rule is that it intended to create the complex system of the public services, trying to lead the administrative authorities, offices, utility providers and courts, prosecutor's offices to the electronic way.²² Maybe it was too confident step to broaden the range of e-services in this way, when obviously there are the lack of infrastructure²³ and the lack of elaborated long-term strategy by which the legislation could have taken further steps in order to elaborate in detail the sectoral rules (Cseh, n.d.).

3. REGULATED ELECTRONIC ADMINISTRATION SERVICES, DECENTRALISED MODEL (2012-)

The comprehensive reform of the public administration and the reconsideration of the role and regulations of the e-administration stopped the previously started processes, therefore the model created in 2009 finished its short functioning before it really would have had the chance to prove. The revolution was brought by the Magyar Programme. Within the frame of this Programme the Act on general rules of the administrative proceedings and services (Ket.) was revised, and by the end of 2011 all rules concerning the electronic way were recodified. The Act CLXXIV of 2011²⁴ took back into the X. chapter of the Ket. the rules of the electronic procedure and parallel with this it repealed the Act XL of 2009 from 1 April 2012. The new timing started by this date which handed over the place from the centralised system into a liberalised model. This new model introduced new developments encouraging the case-client-specific sectoral solutions. (Czékman, 2012)

The new legislation broke up with the previously mentioned frame regulations and returned to the sectoral regulations, therefore the X. chapter of the Ket. was revived. The electronic communication became equal with the traditional (written) communication,

²¹222/2009. (X. 14.) Korm. rendelet az elektronikus közszolgáltatás működtetéséről (Government Ordinance: G.O.)

223/2009. (X. 14.) Korm. rendelet az elektronikus közszolgáltatás biztonságáról (G.O.)

224/2009. (X. 14.) Korm. rendelet a központi elektronikus szolgáltató rendszer igénybevevőinek azonosításáról és az azonosítási szolgáltatásról (G.O.)

225/2009. (X. 14.) Korm. rendelet az elektronikus közszolgáltatásról és annak igénybevételéről (G.O.)

44/2005. (III. 11.) Korm. rendelet a kormányzati informatika koordinációjáról és a kapcsolódó eljárási rendről (G.O.)

194/2005. (IX. 22.) Korm. rendelet a közigazgatási hatósági eljárásokban felhasznált elektronikus aláírásokra és az azokhoz tartozó tanúsítványokra, valamint a tanúsítványokat kibocsátó hitelesítés-szolgáltatókra vonatkozó követelményekről (G.O.)

13/2005. (X. 27.) IHM rendelet a papíralapú dokumentumokról elektronikus úton történő másolat készítésének szabályairól (Ministerial Ordinance)

²² Act LX of 2009 on the electronic public services 6§ (1)-(3)

²³ The utility providers were able to improve the infrastructure and kept up with the requirements, however the courts were not because of the lack of financial sources.

²⁴ Modifying act of Act of 2004 (Ket.), quoted above: A közigazgatási hatósági eljárás és szolgáltatás általános szabályairól szóló 2004. évi CXL. törvény és egyes kapcsolódó törvények, valamint a miniszteri hatósági hatáskörök felülvizsgálatával összefüggő egyes törvények módosításáról

moreover the office may prefer the electronic way with a regard to the criteria of cost-effectiveness and efficiency.²⁵

The Regulated Electronic Administrative Services (SZEÜSZ) changed the bases of the previously centralized unique system. The SZEÜSZ is an e-administrative service named in the Ket. and in a governmental regulation. So it is an informatic background created and developed by the offices in order to realize the electronic administration. The SZEÜSZ also could involve those services which are in relation with the information society and provided to the office or the client by a company or an organization, for consideration or freely, and provided in order to use or fulfill the electronic administration.²⁶

The administrative authority creates its own procedure in which the office can use the SZEÜSZ services which establish a modular system as building blocks (RÁTAI, 2013). The services can be used in the front-office and also in the back-offices processes. The office which engages the service implements the elements to its own procedure, then that office or an other authority provides the service, but the services can be provided also by an organisation designated by law (such as Magyar Posta Zrt.). The Ket. does not exclude the market based service-providing. According to the requirements of the EU the solution is platform-independent, technologically neutral, therefore it determines the objectives, requirements, but the fulfillment is the task of the provider on the basis of the parameters. The application of the uniform moduls might facilitate the interoperability - another requirement of the EU - however it is only applicable when the services are unique. If there are more provider for the same service, the solution could be divergent, especially when the providers are the characters of the market. One range of services - determined in the Ket. - shall be provided by the government. In the chart below one can see the list and summary of the recently functioning SZEÜSZ services. There are several brackets empty in the chart which shows that it is a developing "good" and not a finished product.

Actually, the National Tax and Customs Administration of Hungary (NTCA) provides different types of e-services. These are: e-returns, e-auctions, e-guidelines and also available a specific system for taxpayers not established in the European Community which provide electronic services. If payers and employers want returns based on statutory provisions, they have to submit forms electronically and sign it in the same way. On the webpage of the NTCA one can find detailed information about the forms, the process of submit, the use of the so-called "Client Gate"²⁷ and the providing regulations. E-auctions are connected with bankruptcy and insolvency on the one hand. E-guidelines are about Electronic Auction Interface and Guidelines for the frame programme for filling out forms (ÁNYK) and for downloading the forms. Every type of e-services provided by NTCA can be found online.²⁸ On the webpage of the NTCA one can find many levels of

²⁵ Ket 28/A para. (3) and 28/B para.

²⁶ The current list of services can be found in the chart.

²⁷ Client Gate: accessible via the Hungarian governmental portal (<http://www.magyarorszag.hu/>). The Client Gate is a point of entry at which taxpayers can, safely and in an identified manner, contact and interact with public administration institutions and public institutions offering e-public administration services. To create a personal Client Gate, entry taxpayers must first go through a registration process (the registration is not possible only online, one can go to the the document offices in Hungary or the major customer service offices of NTCA in the county-seats).

²⁸ NTCA webpage: http://en.nav.gov.hu/e_services, [Accessed: 07.05.2014]

e-services such as information sheets for users; papers, forms, certificates can be downloaded; fill-in systems are also available and full electronized processes such as the abovementioned three e-services. There are special programmes which created for filling in documents such as the *ÁNYK - AbevJava* or *Abev* programmes which give the frames. Special information for e-service providers are also available. One can make the tax declaration and return online through the *eBev* system.

The second branch of legislative products is related to the judicial regulations such as the Act 3 of 1952 on the Code of Civil Procedure, Act 5 of 2006 on the Company Information, Company Registration and Winding-up Proceedings, the Act 19 of 1998 on the Code of Criminal Procedure. The abovementioned procedure codes include the electronic way, however in the practice the e-services only work in the company procedures and in the procedures of the public notaries.

The public notaries use electronic solutions in their proceedings. For example the public notary and the vice-public notary has electronical signature which are qualified electronical signature. Every electronical public document has to have qualified e-signature of the public notary or the vice. These signatures issued by the National Chamber of Notaries. In many cases the law permits the electronic correspondence. Also possible to call public datas through the internet. There are rules for the use of the notarial archives and the electronic depository library in the Act XLI of 1991 on the Public Notaries.

Related to companies the rest of the procedures are available online. The company services is available through the webpage of the Hungarian Government. The registration of the companies are made through an electronical system and all public information is available about companies. That is a great advantage that information about companies could be available through the internet for free.²⁹ Since the European Commission issued the Green Paper on the interconnection of business registers (European Commission, 2009) in 2009 all member state have to maintain Business Register in order to facilitate and ensure the transparency of financial transactions. This facilitates the free movement of capital and to establish companies in another member state. These registers have been functioning since the firsts connecting EU directive³⁰, 2007.

It is a lag that however the opportunity of electronical way is available according to the Civil Procedure Code or the Criminal Procedure Code of Hungary, but in the practice these are not common yet. Maybe nor the technology neither the stuff in the administrative sphere are not educated/modern enough to follow the theoretical modernisation made by the acts. We should not forget to consider that the development of technology arrived later to Hungary partially because of the 50 years of socialism, partially because of the financial conditions. The EU supports the technological development for subsequently acceded member states, therefore Hungary also has the chance for the recovery measures.

According to the Act CXL of 2004 the "electronic administration" shall mean those procedural steps during which the client or the body carrying out of administrative actions

²⁹ See the page of online company information: <http://www.e-ceggyezek.hu/index.html> (The page only available in Hungarian), [Accessed: 17.05.2014]

³⁰ The directive no. 68/151/ECC of the Council

makes an electronic statement, or the body carrying out of administrative actions converts the statement made by the client or another administrative body by means other than electronic into an electronic statement and uses during the proceedings."³¹ After giving the definition of electronic administration we have to make difference among the each levels of electronic-services. They have five levels (other categorization determines four). The first level of e-services when the public information is available online (disclosure of information online); the second when the content is downloadable, has to be printed and submitted on paper form (one-way communication), the third level is when the content can be filled in online and downloaded but still have to print and submit on paper (still one-way communication). The fourth level is when the document can be downloaded online, filled in and uploaded (bidirectional interactivity); and the last level is when the whole procedure is available online (interaction). The bidirectional interactivity requires from the users a Client Gate account or special/qualified electronic signature in order to be able to submit documents online. To request a Client Gate account one has to go to the document office and show an ID. Everybody (both natural and legal persons and also companies without legal entity) can request electronic signature from a provider who is entitled to provide that after a registration process. The process of getting an electronic signature is more complex than the registration for a Client Gate. First there is a difference between the requirements for natural persons and for legal persons, organisations, businesses, etc. For all persons there are technical/technological requirements. The first requirement is to have a personal computer and a scanner. The second is the internet access and an e-mail address. The third is to have (buy) a "signature-pack". This is a service from a provider (who is registered and accepted as a provider by law and authorities). This pack includes a card-reader, a signature-card, a signature programme and an authentication service. The process of request for e-signature contains six step. Firsts the requiring person has to fill in an send the form for applying for e-signature to the Certificate Authority (provider for authentication) through the internet. When the request arrived the provider sends the contract and the authorization of the chamber to the requiring person. These documents have to be signed by the requiring person and then sent back to the provider by post. The next step is to download the programme of the provider (eg. *e-Szignó* programme) then send a request for registration. The Certificate Authority makes the signature-card and the chamber issues the permission. When the card is ready the provider calls the requiring person in order to negotiate the time and place of the takeover of the card and to make the ID registration. Then the requiring person became a card-owner. One, after taking over the card has to notify the provider about the takeover and request for the installation and education of the e-signature programme. It is a quite long process if we compare to the Client Gate, on the other hand it provides more safe transactions.³²

Though, today the highest level of e-services, the full online interaction is not accomplished in Hungary, according to the Ministry of National Development every administrative procedure will be available online by 2018. By 2016 the governmental IT will be unique and this will make possible to serve all procedures online for citizens and also for businesses. Accordint to the Ministry, the current information and communication

³¹ Act CXL of 2004, Section 172 c)

³² For more information, visit: <https://srv.e-szigno.hu/index.php?lap=english>, [Accessed: 14.05.2014]

technology sector gives the 12% of the Hungarian GDP. The number of employers working in this sector is much more higher than in the rest of the OECD countries. If the Hungarian government takes all appropriate measures and developments the ICT could become one of the main leading branches of the Hungarian economy. In my opinion, this development could result more and more workplaces which is really important nowadays in Hungary. The situation can result dual outcome. On one hand the electronization can result more unemployed people because the computer can do tasks instead of the employers. On the other hand however, the development of this sphere requires more and more educated and well-prepared employers and by the spreading of technology this number will increase. So, first the traditional administrative work will need less employers but the more specific tasks require specialists. This process will increase the life-level and life-quality of the citizens in Hungary. This process is similar to the requirement of the opportunity to paying by bank card in the rest of the shops, restaurants, etc. Nowadays, the salaries are transferred to bank accounts therefore people would like to pay by card because the costs of taking out money from ATMs or banks are high. It is becoming pointless to use cash. This is still a lag in Hungary that not all places accept card. According to the Ministry the aim is for all Hungarian homes to have broadband access until 2018. This will be ensured by the national telecommunications backbone network which will be developed until 2016. I think that this will bring the full online availability parallel and also the greater usage of cards instead of cash. The full online availability is accepted as an objective of the *National Infocommunication Strategy*³³ between 2014-2020. Other aim of the Strategy is to decrease the number of people who are digital illiterate first by 2016 (under 40%) and then by 2020 under 30%. However, there will be very old people who will be digital illiterate for their entire lives, because they are too old to be taught. It is impossible to teach an 80-90 years old person (who usually not able to use a mobile phone or sometimes the remote control of the television) to use electronic administration. Therefore the traditional administration is still needed in our society.

The local governments and the e-services:

Summarizing the national legislative tendencies: between 2009-2012 the intention of the legislative branch was the centralization where the local governments had less role besides the central portal and the Client Gate. Before that, between 2004-2009 we saw the "voluntary withdrawal" also, because of the lack of infrastructure. Nowadays, we are facing a general uncertainty of the SZEÜSZ system. In one hand the opportunity to elaborate personalized services is open, though, after 1 April 2012 the governmental enthusiasm in working out further rules and settling the underlying services broke, therefore the possibility of the further development was kept pending. On the other hand the restricted scope of tasks of the local governments were affected by the county level governmental offices and district offices which process does not motivate the development of e-services (because of (among others) the increasement of unit costs).

In the light of these we cannot state that the national legislation facilitated the movement of the local governments into the direction of e-services, but it expressly was a

³³ Government decision no. 1069/2014 on the National Infocommunication Strategy 2014-2020 (2014): The development strategy of the infocommunication sector, v5.0., Available online in Hungarian: <http://www.kozlonyok.hu/nkonline/MKPPDF/hiteles/MK14024.pdf> page 2473

barrier, because it led to the isolative, personalized development without any instructions. It is important to mention, that the regulative centralization of the centrally coordinated tasks (such as the tasks arising in the mayor's office) was made, for example the elaboration of the unique rules for construction matters and system or the formalised procedure for individual entrepreneurs. However, the special case-groups as the mentioned ones do not facilitate significantly the implementation of local governmental tasks into electronic environment. The more innovative local governments could develop their back-office services or they could manage their client-contact portals from their own resources or from national or European sources. Thank to the national and EU tenderds the lack of financial sources was not a real practical barrier against the development, though in the case of won tenderds the middle- or long-term solutions were not so suspeivable as it should have been. The reason of that is mainly the dinamic change of the technological environment, but rather the low-cost-efficiency of the personalized developments and the unavoidable interoperability issue cause.

We can name the personalized developments as a success story, but if we think in practical context and see the all 3200 local governments and this result, we could understand that the rest of the local governments were not able to reach neither the Hungarian IT strategy's level, nor the European level.

3.1 Proposals for Hungary

First of all, I examine the implementation of the DAE in Hungary. The Services Directive has already been implemented in more than 300 laws and regulations.³⁴ The Unfair Commercial Practices Directive, the Telecoms Framework and the Audiovisual Media Services Directive have also been implemented.³⁵ We can see, that Hungary is on the way to a good e-administration.

However, the Hungarian ICT is developing by day to day, there are some circumstances which have to be considered.

The first of these is the point of the eldered people. They have also the right to the fast and barrier-free administration, however they - in the rest of the cases - are not able to practice this right without external assist. For them, in my opinion it would be a good idea to uphold the traditional system which would mean the office system and the personal procedure for them. The other solution would be the development of a system in which the administrators going to the home of these elder people after a registration for procedure. The registration could work through telephone which ensures to avoid the use of computers for them.

The other very important question is the creature of a special procedure for disa.bled people or very weak people and inpatient. It is a very serious question, in the majority of the cases it is connected to the old age but sometimes it is not inevitable. For these people I also recommend the home-procedure - as it is available in the case of elections.

For the development of the informational and technological system I would recommend the introduction of a one-card system. This card would be a multifunction tool

³⁴ See: Act C of 2003 on electronic communications, Act CLXIV. of 2005 on commerce, Government decrees 83/2012 and 85/2012 on electronic administration, Government decrees 78/2010 and 45/2005 on electronic signature.

³⁵ See: Implementation of the Digital Agenda for Europe, webpage of the European Commission, quoted above, available: http://daeimplementation.eu/indicator.php?id_country=12&action_n=10 [Accessed: 24.05.2014]

which includes and carries all information about a citizen. This idea may seem a little bit sharp, but it would be very useful and easy-to-use in the daily life for both citizens and administrators. The multi-card would carry every information and data which are relevant to the administration or any other proceedings or systems. This card would recognize the fingerprint of the owner and a picture which would be available in a face-recognizer system.

4. CONCLUSION

Europe took many significant steps to achieve the single digital market. The plans cannot become reality from one day to another but Europe has very modern objectives in this field of regulations as well. Europe is getting more modern in providing e-services, establishing e-governments and trying to reach the single digital market, there are still gaps in the functioning which have to be filled in in order to compete with the USA and modern Asian countries in the world-market.

The single digital market is as big objective for the EU as the stage of a federal organisation of the EU. However both are just objectives (or further plans) now, the processes point towards them.

In our opinion the greatest step was the Digital Agenda for Europe and every member state has special practices for the implementation. Hungary has very good legislative products, so the development of the practical side is just the question of time and financial sources.

By introducing the appropriate technology and working with well-educated employees, the development will reach the objectives and the full online availability will become reality until 2020. The development will bring more questions related to technology and qualification. Higher and higher standards will appear related to human resources that is why the role of human rights will become more significant than before.

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