[eGovernment in]

Finland

September 2006

eGovernment
eGovernment
eGovernment
eGovernment
eGovernment

What's Inside

IDABC
eGovernment Observatory

European Commission
ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

Contents:

Disclaimer:

This document is not intended to be exhaustive. Its purpose is to give an overview of the general e-government situation in Finland. Although every care has been taken to ensure accuracy, the information herein should be treated as indicative and no responsibility for errors can be taken. Neither the European Commission nor any person acting on its behalf is responsible for the use that could be made of the information provided.

Country Profile

Basic Data Indicators

Basic data...

Population (1.000): 5.236,6 inhabitants (2005)

GDP at market prices: 157.377,0 million Euros (2005)

GDP per inhabitant in PPS (purchasing Power Standards, EU-25=100): 113,4 (2005)

GDP growth rate: 2,9% (2005)

Inflation rate: 0,8% (2005)

Unemployment rate: 8,4% (2005)

Government debt/GDP: 41,1% (2005)

Public balance (government deficit or surplus/GDP): +2,6% (2005)

Source: [Numerical data provided by Eurostat](#)

Area: 338.145 km^2

Capital city: Helsinki

EU Official Languages: Finnish, Swedish

Currency: Euro

Source: [Europa website](#)

Political Structure...............................

Finland is a parliamentary republic. Legislative power lies with a unicameral parliament ([Eduskunta](#)) which has 200 members directly elected for a four-year term. The electoral system is based on universal direct suffrage over the age of 18; the d'Hondt system of proportional representation is used in 15 multimember constituencies.

Executive power is vested in the [President](#) and the [Government](#), formally called Council of State (Valtioneuvosto). The President, who is the Head of State, is chosen by direct popular election every 6 years with a limit of 2 terms of office. The

Government, headed by the Prime Minister, must enjoy the confidence of Parliament. After parliamentary elections or in any other situation where the Government has resigned, the President, taking into account the result of consultations between the parliamentary groups, submits to Parliament his or her nominee for Prime Minister. If confirmed by the Parliament with a majority of the votes cast, the President then proceeds to appoint the Prime Minister and other ministers designated by the latter. The President is empowered to dissolve the Parliament at the prime minister's request. The President of the Republic directs foreign policy in conjunction with the Government.

The [Constitution of Finland](#) entered into force on 1 March 2000. It is based on four old constitutional acts – the Constitution Act of Finland, the Parliament Act and two acts on ministerial liability – that were passed during the first years of independence (1917-1922). The Parliament has amended the acts in the course of the years, but the principal constitutional traits have remained unchanged.

Finland became a member of the European Union on 1 January 1995.

Current Head of State: President Tarja Halonen (since 1 March 2000)

Current Head of Government: Prime Minister Matti Vanhanen (since 24 June 2003)

Information Society indicators...

Percentage of households with Internet access: 54% (2005)

Percentage of enterprises with Internet access: 97% (2005)

Percentage of individuals using the Internet at least once a week: 63% (2004)

Percentage of households with a broadband connection: 36% (2005)

Percentage of enterprises with a broadband connection: 81% (2005)

Percentage of individuals having purchased/ordered online in the last three months: 25% (2005)

Percentage of enterprises having received orders online within the previous year: 17% (2005)

Percentage of individuals using the Internet for interacting with public authorities:

obtaining information 44,6%, downloading forms 21,5%, returning filled forms 11,2% (2005)

Percentage of enterprises using the Internet for interacting with public authorities:

obtaining information 88%, downloading forms 87%, returning filled forms 71% (2005)

Source: [Eurostat](#)

eGovernment History

Main developments and key milestones (in reverse chronological order)

For the latest developments, see: eGovernment News - Finland

May 2006...

In January this year, the Ministry of Justice in Finland published a report calling for the development of an electronic real estate trading system which would make it possible to buy and sell property, apply for mortgages and register property transactions on-line.

The report was the result of the work of a Committee set up by the Ministry of Justice to examine the possibility of developing an on-line eConveyancing system in Finland. In the document, the Committee makes a number of specific recommendations, and suggests several amendments to existing legislation which would open the way for the development of eConveyancing. The electronic system would operate alongside traditional conveyancing practices, rather than replace them.

April 2006...

▸ A recent survey of eGovernment services in Finland has found that the most popular sites in the country are those of local authorities and the mol.fi service provided by the Ministry of Labour.

▸ In the three-month period preceding the survey, 49% of respondents had visited the web pages of their own local authority, and 37% the mol.fi service of the Ministry of Labour, which provides

information on employment in Finland, job search facilities and details of legal regulations relating to working life. The websites of KELA (social security), the tax authorities and libraries were the next most frequently visited sites.

▸ The Finnish Prime Minister, Matti Vanhanen, has set up a high-level working group to assist in the preparation of a new National Information Society Strategy for Finland.

▸ The strategy, to be drafted as part of the Government Information Society Programme 2006, will set out guidelines for the future development of the Finnish Information Society. The working group will be led by the Information Society Council, a government body set up in September 2003 to help steer the development of the information society in Finland and to coordinate co-operation between different public administrations, and between the public sector and the rest of society.

February 2006.......................................

▸ The Finnish government will soon implement low-cost eGovernment services with a twist: tracking low-risk and paroled prisoners via mobile phones and GPS satellite-based technology. The move will slash traditional prisoner-tracking costs dramatically, while enhancing the ability of released prisoners to pursue work or study opportunities as part of their reintegration into society.

▸ The Finnish government has been using eServices for years to keep its citizens informed about safe or dangerous foreign travel destinations. But now the convenience of using a mobile telephone to access the information quickly has become even easier.

Mobile phones in Finland equipped with the WAP (wireless application protocol) functionality can now

easily display travel safety information offered by the Ministry for Foreign Affairs. The ministry's new WAP site, launched on 19 January 2006 for Finnish travellers, draws on travel safety information published on its website.

The WAP standard offers instant access to information via handheld wireless devices such as mobile phones, pagers and two-way radios. The new service operates on mobile phones supporting the WAP 2.0 standard.

▸ Finland's Interior Ministry is creating a new unit to coordinate the compatibility of eGovernment services between municipal and regional authorities. The forthcoming 'KuntaIT', or CountyIT, unit officially opens its doors on 1 September 2006, with full operations to be established by January 2007.

January 2006......................................

▸ The popularity of reporting petty crimes online has grown steadily in Finland, according to Finnish law enforcement authorities. First introduced in early 2003, the e-service eliminates the need for theft victims to fill out forms in person at local police stations, while providing rapid proof for insurance purposes.

The Finnish Ministry of Interior's three-year old on-line crime reporting service saw more than 31000 crimes reported in 2005 – a 16% increase over 2004. Supervised by the ministry's police division, the service enables citizens to report stolen items, damage to property, a stolen or lost firearm, and missing or stolen documents such as passports and ID cards. For insurance purposes, users can simultaneously have the police report on the crime sent directly to their insurance company.

▸ Many of the interoperability problems between the ID-authentification systems of Finland's various municipal authorities should disappear in 2006 as local governments switch over to a standardised national verification system. Finland is preparing to make the big leap in the first half of 2006 to a single secure authentification standard for all national and local government authorities.

October 2005......................................

The Prime Minister appoints a working group to prepare the creation of a new body (**KuntaIT**) that will strengthen the information management cooperation between Finnish municipalities. The working group will draw up a proposal of the unit's tasks and organisation as well as propose funding models for joint data system purchases. In addition, the working group will propose a preliminary plan on moving towards a joint organisation for State information management. The working group will base its work on proposals made by the KuntaTIME project that examined developing the coherence of information management in public administration and cooperation related to Information Society. The KuntaIT organisation is to start operations at the beginning of 2007, at the latest.

May 2005...

Launch of an address change notification online service. The joint service by the Finnish Post and the Population Register Centre enables citizens to submit a single address change notification online to a great number of public and private organisations

March 2005..

In order to provide increased leadership for its eGovernment drive, the Finnish Government appoints a **State IT Director**, who will head a new **State IT Management Unit** within the Ministry of Finance. Acting as a government-wide Chief Information Officer (CIO), the State IT Manager will be in charge of preparing and maintaining IT strategy and centralised control of IT operations. The idea in this overhaul of state IT operations is to provide a consolidated model that brings together production and procurement of shared IT services, leaving Ministries and government departments focus on developing IT services to support their own core activities.

November 2004.....................................

Launch of a **mobile electronic identification scheme**. Presented by the Population Register Centre and telecom operator Sonera, the "**Citizen Certificate**" s a Government-guaranteed electronic identity designed to enable secure m-government and m-commerce transactions. The Citizen Certificate is included in a SIM card, allowing mobile phone users to easily identify themselves with a single code. In addition to user identification, the certificate also ensures authentication, confidentiality of the exchanged data, as well as information integrity and delivery of the message. This mobile service provides Finnish citizens with a secure alternative to the electronic ID card for carrying out a number of transactions with public and private bodies.

June 2004..

Launch of the **combined electronic ID/health insurance card**. Finnish citizens have the possibility to request to have their health insurance data included in their electronic ID card, with a view to carry one card instead of two. Citizens deciding to include their health insurance data in their electronic ID card no longer have to carry the health insurance card issued by the Social Insurance Institution of Finland.

April 2004...

The Finnish government introduces an **online identification system** aiming at providing a simpler and more flexible electronic identification method than the Electronic ID card, whose uptake remains low, while providing sufficient security to perform low-sensitivity transactions online. The new service is not secured using electronic signatures but makes use of identification codes issued by Finnish banks to secure registration for and access to interactive services.

November 2003....................................

The Organisation for Economic Cooperation and Development (OECD) publishes an assessment of e-government implementation in Finland, addressing a number of issues, including: e-government organisation and development; eGovernment drivers and barriers; challenges and next steps for effective eGovernment implementation. The OECD report analyses the Finnish e-government policies and achievements but also identifies challenges and areas where improvement is needed. According to the OECD, the Finnish government should set clearer responsibilities for eGovernment implementation, increase the proportion of transactional services provided by central administrations, increase data-sharing and back-office restructuring, and promote cultural change.

September 2003....................................

‣ The Finnish Government launches a new Information Society Programme. The purpose of the programme is to boost competitiveness and productivity, to promote social and regional equality, and to improve citizens' well-being and quality of life through effective use of information and communications technologies.

‣ The Government appoints an Information Society Council, whose role is to steer the development of the Information Society and coordinate cooperation between administrations and with the private sector. The Information Society Council replaces the previous Information Society Advisory Board.

June 2003..

The Population Register Centre announces a **chip upgrade to the country's e-ID card** to enable the use of fully functional digital signatures instead of the current 'citizen certificate'. The upgrade to the card will allow citizens to carry out secure transactions with public authorities, businesses and other service providers via the Internet and through mobile devices.

June 2005..

▸ Launch of the RASKE2 **metadata standardisation project**. The project aims at developing methods for the integration of e-government systems and services by means of metadata standardisation. The project, funded by the Parliament of Finland, the Ministry of Finance, and the Ministry of Justice, has a planned duration of three years.

▸ Finland signs an agreement with Estonia to harmonise the concepts and practices regarding digital signature and document format and exchange between the two countries. According to the agreement, the two countries will share information and experiences concerning the concepts and technologies for digital signature and document management, following European and national legislation requirements as well as international standards. The two countries' signature project, codenamed OpenXAdES, is an open initiative to promote a 'universal digital signature'.

February 2003......................................

The new Act on electronic signature comes into force simultaneously with new **acts on electronic public services and on electronic communications**. It enforces the EU directive on electronic signatures and gives legal value to the use of electronic signatures for e-commerce and e-government services.

December 2002...................................

Publication of the **Third Report of the Information Society Advisory Board** which recommends that the next government (to be elected in March 2003) should initiate an Information Society Programme under the responsibility of one single minister.

April 2002..

Launch of the **citizen portal** Suomi.fi, providing a single access point to public information, administrative forms and services. It replaces a previous life cycle-based portal, the 'Citizen Guide', which was opened in spring 1997 and later complemented with an electronic forms service. The new portal supports authentication based both on PKI and on the banks authentication system for certain transactions. It is complemented by a practical guide on how to use online public services and by a central official forms service. The **businesses portal** YritysSuomi.fi (Enterprise-Finland) is also launched in Spring 2002 as a result of a joint effort of seven government agencies.

February 2002.....................................

Publication of the Final Report of the Development Project for e-Government JUNA.

December 2001...................................

▸ The Information Society Advisory Board publishes Public Services in the New Millenium, the Programme of Action to Promote Online Government for 2002-2003. This new action plan for e-government, accepted by the Ministerial Committee for Administration, focuses on measures to remove the obstacles to online government and on strengthening strategic planning and developing managerial skills in government bodies. It recommends that each government department and agency should formulate an eServices strategy and integrate it with its overall functional and service strategy. The Programme is partly based on the work carried out as part of the Development

Project for eGovernment JUNA, which ends on 31/12/2001. Responsibility for development measures and projects are transferred to the Public Administration Development Unit in the Ministry of the Interior's Administrative Department. Its tasks include guiding and supporting the development of electronic public services.

▸ The Ministry of the Interior publishes a development programme 2002-2005 for electronic services in the Ministry's administrative sector.

October 2001.....................................

Launch of a public tenders database, targeting Calls for Tender under the threshold value, especially those in the municipal sector. The service is operated by government-owned public procurement company Hansel, which also operates a complete system for electronic tendering and procurement.

June 2001..

Publication of the Second Report of the Information Society Advisory Board.

2000 and before..................................

In **June 2000**: Publication of the First Report of the Information Society Advisory Board.

In **May 2000**, the Government adopts a decision on the use of funds from the sale of state-owned companies. Improving public services using ICT is one of the seven priority areas for the use of these funds.

In **March 2000**, the Government adopts a decision on information management, which puts special emphasis on the development of interoperability, joint services and co-operation between agencies.

In **January 2000**, the Act on Electronic Service in the Administration, adopted in 1999, comes into force. The Act is designed to promote the development of

electronic services in the public sector. It contains provisions on the rights, duties and responsibilities of administrative authorities and their customers in the context of electronic service, as well as on the most significant requirements in the field of data security and electronic identification.

In **1999**, the Population Register Centre launches the Electronic ID Card and the supporting Public Key Infrastructure (PKI). Valid for three years, the card can be used as a travel document in 19 European countries and can also be used for online banking and insurance services. Its legal basis is Identity Card Act, which comes into force on 1 December 1999.

The Ministry of the Interior launches the **Development Project for eGovernment JUNA**. Its aim is to coordinate and support the planning and implementation of e-government in the Finnish public sector.

In **1998**, Sitra, the Finnish National Fund for Research and Development, publishes its report "**Quality of life, knowledge and competitiveness**", proposing a new national strategy for the Information Society.

The Government adopts a **decision on electronic transactions, the development of electronic services and the reduction of data gathering**. This decision paves the way for a generic system for electronic identification, data transfer encryption and digital signatures for electronic transactions in the public sector. Among other things, it states that the Population Register Centre will act as the certification authority responsible for issuing and maintaining the citizen ID card.

In **1997**, Sitra, the Finnish National Fund for Research and Development, is tasked with revising the Finnish strategy for developing of the information society. While the focus of the earlier strategy was on technology and the economy, the future one will focus on people and everyday life.

In **1996**, the Government appoints an **Information Society Advisory Board** to provide assistance in

monitoring and predicting Information Society developments, as well as formulating and evaluating Information Society policies. A cabinet minister chairs the Board, and its members are permanent secretaries and other high level civil servants from state and municipal administrations as well as IT industry leaders. It reports to Government on a regular basis.

In **1995**, the Government adopts a decision establishing the principles for the development of Finland as an Information Society. This decision sets out the essential development goals, outlines the most important directions for action, and gives the different ministries the task of preparing action plans for achieving these goals by the beginning of March 1995.

In **1994**, the Government adopts a strategy for information management in government. This strategy calls for the development of electronic transactions within agencies as well as between agencies and their customers.

eGovernment Strategy

Main strategic objectives and principles

The Finnish eGovernment strategy is set in the paper Public Services in the New Millenium, published in December 2001.

Vision...

The vision for the development of eGovernment in Finland is for public administration to provide secure and user-friendly online services, in order to:

▸ Save trouble and expense for its customers

▸ Empower the citizen

▸ Support the competitiveness of Finnish firms

The attainment of this vision implies dealing with a number of constraints. From the viewpoint of service development the critical factors include regional parity, economic competitiveness, administrative transparency, accessibility and quality of services, and risk of alienation.

From technology viewpoint major critical requirements are multi-channel provision, seamlessness, interoperability of portals, device independence, information security, network coverage, and ease of identification and standard interfaces.

Considered together, the vision and the critical factors help identify the main trouble spots and bottlenecks, and thus guide action in the most productive direction.

A suitable value basis for development work can be found in the five principles ("the 5 A:s") prescribed for information society promotion by the Promise project of the EU: Availability, Accessibility, Affordability, Awareness, Appropriateness.

Problem areas and trouble spots.........

Four general problem areas have been identified, and within them a number of specific trouble spots or bottlenecks that have already become manifest during efforts by the Finnish public administration to develop online services.

1. Development, Implementation and Delivery of Online Services

Progress in the development, implementation and delivery of online services is being held back by insufficient integration of IT development with the public agencies' missions and financial planning, limited understanding of IT's potential by management, lack of know-how in IT application and integration on the part of development personnel, inadequate coordination between central government and municipalities resulting in fragmentary service provision and duplication, uncoordinated development and insufficient resourcing of online services, insufficient joint use of information collected by public authorities, disappointing progress in establishing government joint service points or "one-stop shops", lack of a uniform pricing policy for online services.

2. Demand for Online Services, Service Quality

From the viewpoint of the citizen or the firm, utility is the main criterion for electing to use a public service via a network. Utility depends, to a large extent, on service quality, which can be further analysed into considerations of availability,

accessibility, usability, and user participation. A quality service is an integral part of the service process and supporting information systems. Demand and service quality-related problem areas are: limited possibilities for real citizen participation, difficulty to locate administrative services despite a growing number of service portals, inadequacy of available service quality criteria for electronic government services.

3. Accessibility, Usability and User Qualifications

The accessibility and usability of online services depend on a number of factors, such as the availability of network connections, terminal devices, service points, interfaces, software, and digital certificates. Users, be they firms or individual citizens, need to possess the relevant skills. The main problem points are: inadequate awareness of and user skills in networking of small and medium enterprises, poor availability of networks, particularly broadband, in remote regions; slow progress in services using strong authentication (electronic ID card).

4. Guidance and Coordination of Online Services Development

Despite a number of programs and documents launched, hands-on political guidance has been insufficient. Several steering groups and working groups have been set up to manage the coordinators and to launch joint projects of common interest, but experience to date suggests flaws in the current system, namely: lack of political guidance, weak coordination at the level of overall public administration, inadequate financing of centralized development projects, poor effectiveness of the JHS (public administration IT standards recommendations) system due to weak status and inadequate resourcing.

Priorities and action lines.....................

In order to overcome the problem areas and bottlenecks and therefore make the vision come true,

a number of actions are proposed within four action lines:

1. Reforming administrative activities and processes

▸ Better integration of electronic services into individual agencies' service strategies.

▸ Creation of replicable models for the integration of online services as parts of agency service processes, including service clustering (including with the private sector) and technical interoperability.

▸ Providing management and staff with appropriate skills for the development of e-services as an integral part of personnel development.

▸ Coordinating design and implementation of interactive forms in a way that will make them easy to use and sufficiently uniform throughout public administration.

▸ Development of national, seamless, client oriented online social and health services.

▸ Promotion of the exploitation of base registers and data sharing.

▸ Strengthening of joint service capability.

▸ Development of uniform pricing principles for online services and administrative information.

2. Encouraging the supply of and demand for online services

▸ Increasing citizens' participation of in the decision-making process at all levels.

▸ Channel access to online public services through portals to make them more easily locatable.

▸ Improve the quality of government online services, through the development of relevant quality criteria and the promotion of emulation between agencies.

3. Improving access, usability and end user competence

▸ Raising the competence of companies, particularly SMEs, in using eGovernment services for businesses and developing eCommerce applications.

▸ Ensure access for all user groups, including the handicapped and the uninitiated, through increasing the number of public access terminals, re-designing public interactive e-services to be suited for narrowband connections, for use at public terminals and for digital interactive television, and widening access to broadband.

▸ Promote a flexible yet reliable system of electronic authentication, by keeping authentication as light as is compatible with the nature of each online service, making it device-independent, and making it possible to use alternative authentication services.

4. Coordination

▸ Strengthen political guidance and coordination for eGovernment through giving a more active role to the Information Society Advisory Board, powering it with a full-time secretariat with the necessary expertise, and to the Ministerial Working Group on Administration and Regional Development.

▸ Attain better administrative coordination by giving centralized authority and additional resources for eGovernment to the Ministry of Finance and reinforcing the secretariat of the Advisory Committee on Information Management in Public Administration (JUHTA).

▸ Strengthen the JHS standardization system with increased resources, better follow-up and assessment of JHS recommendations, incorporation in the system information

management and electronic government recommendations of other public sector organizations, and wider use in procurement specifications.

Ministry's Online Project.........................

The Ministry's Online Project, project for bringing the Ministry of the Interior's administrative sector online, aims to speed up the development of electronic transactions and online services in accordance with the objectives laid down in the Government's Information Society Programme. The project runs from 1 April 2004 to 31 December 2006.

Main objectives

▸ The Ministry of the Interior's administrative sector will be effectively exploited for the purpose of e-transactions.

▸ All departments and agencies will be involved in developing online services and e-transactions.

▸ The existing solutions and experience will be exploited through cooperation.

▸ The implementation of regionalisation will be supported by means of eServices.

▸ Matters will be processed independent of place.

eGovernment Legal Framework

Main legal texts impacting on the development of eGovernment

Legislative measures..............................

The Government will pay particular attention to the clarity, consistency and validity of information society legislation and will see to it that consideration is also given to future development needs. The copyright system will be developed in a balanced fashion and attention paid to the interests of the industry, users, research and education, consumers and the actors concerned. The effects of new laws on the information society will be considered during their preparation and also when they are in force.

▶ Further development of the copyright legislation (Ministry of Education)

▶ Drafting of legislation for electronic patient record procedures within social and health care services (Ministry of Social Affairs and Health)

▶ Reforming the decree on patient records (Ministry of Social Affairs and Health)

▶ Decree on entries made in patient documents in social welfare and retention of documents (Ministry of Social Affairs and Health)

▶ State information management act (Ministry of Finance)

▶ Reform of the procurement act (Ministry of Trade and Industry)

▶ Updating the Legal Deposit Act (Ministry of Education)

▶ Preparation of legislation for implementation of electronic invoicing in public administration during 2007 on the basis of KuntaTIME guidelines (Ministry of Finance, Ministry of the Interior)

▶ Project preparing the legislation concerning basic registers (Ministry of the Interior)

▶ Preparing the legislation concerning electronic real estate trading (Ministry of Justice)

eGovernment legislation........................

Act on Electronic Services and Communication in the Public Sector (2003)

The objective of this Act, which entered into force on 1 February 2003, is to improve smoothness and rapidity of services and communication as well as information security in the administration, in the courts and other judicial organs and in the enforcement authorities by promoting the use of electronic data transmission. It contains provisions on the rights, duties and responsibilities of the authorities and their customers in the context of electronic services and communication. The Act replaces the Act on Electronic Service in the Administration of 30 December 1999. Designed to promote the development of electronic services in the public sector, the 1999 Act had been one of the first e-government legislation in the world.

Freedom of Information legislation......

Act on the Openness of Government Activities (1999)

Finland has a long tradition of open access to government files. As a Swedish-governed territory, the Swedish 1766 Access to Public Records Act, the world's first freedom of information law applied. When Finland became an independent republic in 1919, the

right of freedom of information was included into its new Constitution. In 1951, the Parliament approved the Act on Publicity of Official Documents, which remained in effect until 1999. It has since then been replaced by the Act on the Openness of Government Activities, which went into effect on 1 December 1999. The Act provides for a general right to access any "official document" in the public domain held by public authorities and private bodies that exercise public authority, including electronic records. Those asking for information are not required to provide reasons for their request or to verify their identity unless they are requesting personal or other secret information. Responses to requests must be made within 14 days. Restrictions exist for "non-official documents", documents that contain information on decision-making, documents relating to foreign affairs, criminal investigations, the police (including tactical and technical plans), the security police, military intelligence and armed forces, business secrets, and personal information except for those in political or elected office. Appeals to any denial can be made to a higher authority and then to an Administrative Court. The Act also requires government meetings to be held in public and mandates government bodies to publish information about their activities and to maintain registers of documents.

Data Protection/Privacy legislation......

Personal Data Act (1999)

Adopted by Parliament in March 1999, the Personal Data Act was amended in 2000. It is overseen and enforced by the Data Protection Ombudsman.

eCommerce legislation.......................

Act on the Provision of Information Society Services (2002)

The Act on the Provision of Information Society Services entered into force on 1 July 2002, enacting the EU eCommerce Directive (2000/31/EC). The main issues governed by this Act revolve around the freedom to provide information society services, information requirements for service providers,

electronic orders and electronic contracts, and related liabilities.

eCommunications legislation..............

Communications Market Act (2003)

Finland transposed most of the new EU regulatory framework for electronic communications through the Communications Market Act, except for the e-Privacy Directive, which was transposed by the Act on the Protection of Privacy in Electronic Communications, adopted on 1 June 2004 and entered into force on 1 September 2004.

eSignatures legislation ....

Act on Electronic Signatures (2003)

This Act which implements the EU Directive on a Community framework for electronic signatures (1999/93/EC), entered into force on 1 February 2003. The general purpose of the Act is to promote the use of electronic signatures and the supply of products and services relating to them. In addition, the Act aims to enhance the information security and data protection in the field of electronic commerce and electronic services. The Act gives advanced electronic signatures – and contracts signed electronically using advanced electronic signatures – the same legal value as handwritten signatures and handwritten-signed contracts. An electronic signature is considered advanced in terms of the Act if it has been created by (A) a secure signature creation device and (B) confirmed with a qualified certificate.

eProcurement legislation....................

Public procurement in Finland is governed by the Public Procurement Act of 1992, which does not regulate the use of electronic means in the procurement process. Use of electronic means in the public procurement process thus currently falls within the general rules for entering into an agreement. The new EU public procurement directives (2004/17/EC and 2004/18/EC) are expected to be implemented in

2005, including their provisions related to eProcurement.

Re-use of Public Sector Information (PSI)

Finland has notified full transposition of the EU Directive on the re-use of public sector information (PSI) into national law.

Status of transposition of PSI-directive:

Finland has notified full transposition

Existing legislation:

Självstyrelselag för Åland, 16.08.1991

Laki viranomaisten toiminnan julkisuudesta, 31.05.1999

Act on the Openness of Government Activities, nr. 621, 31.05.1999

Valtion maksuperustelaki, 21.02.1992

eGovernment Actors

Main roles and responsibilities

National eGovernment.........................

Policy/Strategy

1.　**Ministry of Finance**

The Ministry of Finance has policy-making responsibilities in the areas of public management reform, information and communication technology (ICT) policy and guidance for the state administration. These functions are primarily carried out by the State IT Management Unit in the Ministry's Public Management Department. The Ministry of Finance also has responsibility for the Government Information Management Unit.

2.　**Information Society Council**

The Information Society Council is a negotiation body for steering the development of the information society and for coordinating cooperation between administrative branches and between administration, organisations and business life. It is chaired by the Prime Minister and is composed of senior representatives of state and local administrations, as well as IT industry leaders. It reports regularly to the Government on the state of Finland's Information Society development.

3.　JUHTA - **The Advisory Committee on Information Management in Public Administration**

The Advisory Committee on Information Management in Public Administration (JUHTA) operates at the Ministry of the Interior. The committee plans and discusses issues that are important to cooperation in information management between central and local government.

The committee coordinates the development of information technology, information management and electronic transaction services in central and local government. It also acts as a forum for developing joint information management projects.

The JHS recommendations, recommendations for public administration, aim to harmonise operating procedures for information management.

On 4 June 1992, the Government decided to promote standardisation in public administration by introducing the system of JHS recommendations for information management in central and local government. The recommendations are approved by the Advisory Committee on Information Management in Public Administration (JUHTA).

Coordination

1.　**Public Management Department of the Ministry of Finance**

The Public Management Department is responsible for management policy in central government and serves as the Government's expert on administrative development. Among other things, it is in charge of coordinating Government ICT policy. It supports the inter-agency ICT groups and promotes measures to improve service provision and quality as well as information management and data security in central government. The

Department is divided into two units: Governance Policy and Public Services Unit, and State IT Management Unit. Created in early 2005, the State IT Management Unit is headed by the State IT Director, acting as a government-wide Chief Information Officer (CIO). The Unit is in charge of preparing and implementing the government's IT strategy and of bringing together production and procurement of shared IT services, leaving Ministries and government departments focus on developing IT services to support their own core activities.

2. Government Information Management Unit

The Government Information Management Unit was set up in 2002 to improve information management within and between the ministries. It operates the ministries' joint information system and initiates, promotes and coordinates the further development of cross-sectoral and joint projects in the field of information management, information technology and data security in central government.

Implementation

1. Government Information Management Unit

The Government Information Management Unit in the Ministry of Finance is in charge of implementing joint projects, developing and maintaining common information systems, and building a solid ICT architecture and infrastructure for these common systems (government websites, intranet, document management system, decision-making system). This includes responsibility for the development, maintenance and usability of the ministries' joint data and communications network and of the Suomi.fi citizen portal.

2. Government ministries and agencies

Government ministries and agencies have responsibility for the implementation of their own departmental eGovernment projects.

Support

1. Government Information Management Unit

On the basis of service agreements, the Government Information Management Unit provides ministries with information management development, maintenance and project services.

2. Finnish Institute of Public Management (HAUS)

HAUS, The Finnish Institute of Public Management Ltd. was established in 1971 as an in-service training centre for civil servants. It was transformed into a state-owned enterprise subordinate to the Ministry of Finance in 1995, and converted into a limited company at the beginning of September 2002. Its mission is to provide innovative training and consulting services and to promote the latest knowledge in the field of administrative practices.

Audit/Assurance

State Audit Office

The State Audit Office (SAO) is an independent expert body that operates in connection with the Parliament. Its task is to audit the legality and propriety of the state's financial management and compliance with the state budget.

Data Protection

Office of the Data Protection Ombudsman

The Office of the Data Protection Ombudsman controls the implementation and observance of the Personal Data Act of 1999 and provides guidance and advice on all issues related to the processing of personal data.

Regional & Local eGovernment............

Strategy

Regional Councils and Municipalities

Finland's Regional Councils are joint municipal authorities responsible for regional development. There are 19 Regional Councils, which group together

the country's 446 municipalities. Even though many municipalities cover very small population catchments, most of them provide Internet services.

Coordination

Ministry of the Interior

The Ministry of the Interior is responsible for information management in regional administration and local authorities and plays an important co-ordinating role at the local level. While the Ministry of Finance is responsible for overall co-ordination of ICT initiatives, the Ministry of the Interior is responsible through its Information Management Unit for vertical co-ordination with regional and local government and for ensuring the diffusion and exchange of standards, good practices and approaches at regional and local levels. To promote cooperation in information management between the State and the regional and local authorities, an Advisory Committee on Information Management in Public Administration (JUHTA) has been set up at the Ministry of the Interior. The Committee is tasked with planning cooperation in information management, making reports and studies, and drawing up guidelines and recommendations for information management (JHS recommendations: Reference Architecture for Online Services, public administration interfaces for information management, Finnish metadata standard, XML standards, etc.).

Implementation

Regional Councils and Municipalities

Support

Association of Finnish Local and Regional Authorities (AFLRA)

The Association of Finnish Local and Regional Authorities is made up of the towns and municipalities in Finland. The Association's goal is to promote the opportunities for local authorities to operate and co-operate and to promote their vitality for the benefit of the residents.

Audit/Assurance

No information available.

eGovernment Who's Who

Main eGovernment decision-makers and executives

Minister responsible for eGovernment...

Name: Eero Heinäluoma

Job title: Minister of Finance

Picture:

Contact details:

Ministry of Finance

Snellmaninkatu 1, FIN-00170 Helsinki

PO Box 28, FIN-00023 GOVERNMENT, Finland

Tel.: +358 9 160 01 or +358 9 57811 (exchange)

E-mail: valtiovarainministerio@vm.fi

Head of eGovernment (i.e. head of eGovernment agency/directorate)...................................

Name: Leena Honka

[19]

Job title: State IT Director and CIO

Picture:

Contact details:

Ministry of Finance

Public Management Department - State IT Management Unit

Snellmaninkatu 1, FIN-00170 Helsinki

PO Box 28, FIN-00023 GOVERNMENT, Finland

Tel.: +358 9 160 33255

E-mail: leena.honka@vm.fi

Other key eGovernment executives...

Name: Kari Kekki

Job title: Director, Government Information Management Unit, Ministry of Finance

Picture: No picture available

Contact details:

Ministry of Finance

Government Information Management Unit

Snellmaninkatu 1, FIN-00170 Helsinki

PO Box 28, FIN-00023 GOVERNMENT, Finland

Tel.: +358 9 160 01

E-mail: kari.kekki@vm.fi

Other key eGovernment executives

eGovernment Infrastructure

Main eGovernment infrastructure components

Portal...

Suomi.fi

Launched in April 2002, the citizen portal Suomi.fi provides a single access point to public information, administrative forms and services. It replaces a previous life cycle-based portal, the Citizen Guide, which was opened in spring 1997 and later complemented with an electronic forms service. The new portal supports authentication based both on PKI and on the banks authentication system for certain transactions. It is complemented by a practical guide on how to use online public services and by a central official forms service (Lomake.fi). The **business portal** YritysSuomi.fi (Enterprise-Finland) was also launched in Spring 2002 as a result of a joint effort of seven government agencies.

Network...

Senaattori

Senaattori is the joint intranet of all Finnish ministries launched in 1998. It is designed to meet the needs of Government ministries, Parliament and the Office of the President of the Republic. Senaattori provides access to Government and Parliament information,

both internal and external. Development of the directory is the responsibility of an editorial council composed of representatives of the ministries and Parliament.

Electronic Transactions

The Ministry of the Interior supports Finnish public administration in its aim to produce and use online services. It therefore prepares decisions related to electronic transactions, issues guidelines and gives advice on online transactions and the production of online services, while striving to increase the number of public access terminals and online services in State regional and local administration, particularly in the Ministry's administrative sector.

Electronic transactions mean offering and using public services and disseminating information online. Such services can be divided into transaction services and other services. Most transaction services need to be processed by public authorities. If electronic transactions require that the user be identified, this can be done either by means of a user name and password or by means of a certificate.

The Ministry of the Interior has published a programme for developing online transactions in the Ministry's administrative sector. The programme ran from 2002 to 2005. The aim of the programme was to bring a significant part of the services produced in the Ministry of the Interior's administrative sector available online to citizens and other users.

eIDentification infrastructure..............

Finnish Electronic ID Card

In addition to normal identification, an electronic identity card can be used for electronic transactions and as an official travel document for Finnish citizens in the Nordic countries and 25 other European

countries. An electronic identity card can also be used in health clinics and pharmacies instead of a health insurance card (KELA card), provided that the data on the KELA card has been added to the identity card.

An electronic identity card is a secure network key for all online services which require identification of a person. It can also be used for making an official electronic signature and for encrypting e-mail messages and attachments.

Launched in 1999, the Finnish Electronic ID Card is a smart card featuring the holder's photograph and containing a microchip that stores the user's e-number, which is required for transacting official business. Apart from being a valid identification document, the e-ID card can be used for electronic identification and digital signatures and also works as an official travel document in a number of European countries. In 2003 the card's chip was upgraded to enable the use of fully functional digital signatures, and since June 2004 citizens can choose to have their health insurance data included in their e-ID card, with a view to carry one card instead of two. In order to boost the secure use of eServices, the Finnish government has also launched an **online identification system** based on identification codes issued by Finnish banks, and a **mobile identification scheme** based on the inclusion of a government-guaranteed 'Citizen Certificate' in SIM cards for mobile phones.

Civil servant identity card....................

The Police IT Management Agency and the Ministry of the Interior are responsible for introducing and maintaining a joint access rights system for the sector, and for leading the civil servant identity card project. The project managers appointed by different offices and agencies see to the introduction of the card in the administrative sector.

The introduction of a civil servant identity card relates to the process of improving data security, the access rights system, online services, and internal administrative systems and services.

Electronic commerce and digital contents

The Government will promote the changeover to electronic commerce and electronic services and therefore introduction of new ways of organising work by developing the operating environment for electronic commerce in close collaboration with businesses. Central in this work is the efficient use of such an information infrastructure where the information produced and maintained by public funding is made widely available to various users.

The Government promotes the production of a broad range of digital cultural content and sees to it that they can be offered on a large scale. The aim is to have a strong and diverse national production structure of digital contents with internationally increasingly competitive products and an innovative and skilled workforce. The Government's aim is to improve transport services by utilising ICT (transport telematics).

eProcurement infrastructure..................

There is currently no central e-procurement infrastructure in Finland. The State-owned public procurement company Hansel Ltd, acting as a central public procurement body for state entities, once operated a complete system for electronic tendering and procurement (Sentteri) but due to lack of turnover, the system is no longer in operation. The JULMA website, set up by the Ministry of Trade and Industry, provides information and notices concerning public procurement below the threshold value.

Electronic Filing

The Electronic Data Interchange, TYVI, is a system enabling companies to transfer tax return information electronically to the tax authorities. You can transmit e.g. tax and information returns, Annual Notifications, Monthly Tax Returns, and Income Tax Returns of corporate taxpayers. In addition, you can use the Tyvi services to request and receive your employees´ withholding tax information separately for each individual employee.

Relevant eServices: Tax Guide, Forms & Publications.

Business Information System (BIS)

The Business Information System (BIS) is a joint service for businesses and organisations that are clients of the Finnish Tax Administration, Trade Register or Register of Foundations.

Other eServices.....................................

Notification of move

Statistics

Press releases

Elections

Population Information System

Population Register Center

Local Register Offices

eCitizen

Forms online

Data Security online

Data protection

Knowledge Management infrastructure

There is currently no central knowledge management infrastructure in Finland.

eGovernment Services for Citizens

Availability and sophistication of eServices for Citizens

The information in this section is based on the common list of 20 basic public services (12 for citizens, 8 for businesses) adopted by the Council of the EU in March 2001, and on the methodology used to assess their level of online availability and sophistication in the eEurope benchmarking exercises (see: *eGovernment indicators for benchmarking eEurope*).

The 12 services for citizens are as follows:

1. Income Tax Declaration

2. Job Searches by labour Offices

3. Social Security Contributions

4. Personal Documents

5. Car Registration

6. Application for Building Permission

7. Declaration to the Police

8. Public Libraries

9. Certificates (birth, marriage) Request and Delivery

10. Enrolment in Higher Education

11. Announcement of moving (change of address)

12. Health-related services (e.g. appointments for hospitals)

For each service, the sophistication stage reached is indicated, with reference to the maximum stage possible for the service.

▶ Stage 1 - Information: online information about public services

▶ Stage 2 - Interaction: downloading of forms

▶ Stage 3 - Two-way interaction: processing of forms, including authentication

▶ Stage 4 - Transaction: full case handling, decision and delivery (payment)

1. Income taxes (declaration, notification of assessment)

Responsibility:	Central Government, Tax Administration
Website:	http://www.vero.fi/
Sophistication stage:	4/4
Description:	In Finland, individual taxpayers received pre-filled tax return forms, which they can clear or amend online.

2. Job search services by labour offices

Responsibility:	Central Government, Ministry of Labour, Finnish Employment Service
Website:	http://www.mol.fi/
Sophistication stage:	4/4
Description:	Information about job vacancies and training opportunities, and search facilities. Job seekers can apply for jobs online using to the Finnish Electronic ID card (FINEID) or a user ID provided by the job centres.

3. Social security benefits

a. Unemployment benefits

Responsibility:	Central Government, Social Insurance Institution (KELA)
Website:	http://www.kela.fi/
Sophistication stage:	4 /4
Description:	Fully transactional service.

b. Family allowances

Responsibility:	N.A.
Website:	N.A.
Sophistication stage:	N.A.
Description:	This service is not relevant for Finland. Child allowances are paid automatically by the Social Insurance Institution (KELA) as soon as a child's birth is registered by the hospital to the Population Register Centre, and until the end of the month in which the child reaches the age of 17.

c. Medical costs (reimbursement or direct settlement)

Responsibility: Central Government, Social Insurance Institution (KELA)

Website: http://www.kela.fi/

Sophistication stage: N/A

Description: Information and reimbursement forms. Reimbursements of medical expenses are available for doctor's fees, dental care costs and treatment/examination charges, calculated on the basis of the real costs up to a maximum fixed by the Ministry of Health. All persons with permanent residence in Finland are entitled to health insurance and issued with a health insurance card (SII card or Kela-kortti). Since June 2004 citizens can chose to have their health insurance data included in their eID card instead, with a view to carry one card instead of two.

d. Student grants

Responsibility: Central Government, Social Insurance Institution (KELA)

Website: http://www.kela.fi/

Sophistication stage: 3/4

Description: Information and downloadable forms. Applications for student support and relevant supporting documents must be filed with KELA offices or individual schools or universities.

4. Personal documents (passport and driving licence)

a. Passport

Responsibility: Central Government, Finnish Police

Website: http://www.poliisi.fi/

Sophistication stage: 1-2/3

Description: Information only. Passport applications are handled by local police branches.

b. Driving license

Responsibility: Central Government, Finnish Police

Website: http://www.poliisi.fi/

Sophistication stage: 1-2/3

Description: Information only. Driving license applications are handled by local police branches.

5. Car registration (new, used and imported cars)

Responsibility:	N.A.
Website:	N.A.
Sophistication stage:	N.A.
Description:	Car Registration: this service is not relevant for Finland, where cars are not registered by individuals but by third parties (insurance companies and car dealers). Registrations are processed by the Finnish Vehicle Administration (AKE).

6. Application for building/planning permission

Responsibility:	Local Governments
Website:	N/A
Sophistication stage:	2/4
Description:	The Association of Finnish Local and Regional Authorities provide general information about planning/building permissions. The planning permit must be applied for with individual municipalities, most of which offer information and forms for download on their websites.

7. Declaration to the police (e.g. in case of theft)

Responsibility:	Central Government, Finnish Police
Website:	http://www.poliisi.fi/
Sophistication stage:	3/3
Description:	Notification of certain crimes can be made online: property offence or act of vandalism. The notification is automatically directed to the right city police department on the basis of the place of the crime reported. The user receives a receipt of the notification, which can be used for following-up the request.

8. Public libraries (availability of catalogues and search tools)

Responsibility: Central Government/Local Government, Ministry of Education/Helsinki City Library (the Central Library for Public Libraries in Finland)

Website: http://www.kirjastot.fi/

Sophistication stage: 4/4

Description: Portal providing a gateway to all public libraries and, for most of them, their catalogues. A request service is also provided.

9. Certificates (birth, marriage): request and delivery

Responsibility: N.A.

Website: N.A.

Sophistication stage: N.A.

Description: This service is not relevant in Finland, where birth and marriage certificates are not commonly used and therefore not needed by citizens. Public authorities have direct access to the Population Register if they need information on a person's family status.

10. Enrolment in higher education/university

Responsibility:

Website: http://www.oph.fi/

Sophistication stage: 4/4

Description: The National Board of Education provides information about enrolment in higher education. Some universities have online application systems.

11. Announcement of moving (change of address)

Responsibility:	Central Government, Population Register Centre and Finnish Post
Website:	http://www.muuttoilmoitus.fi/
Sophistication stage:	3/3
Description:	The joint service by the Finnish Post and the Population Register Centre, launched in May 2005, enables citizens to submit a single address change notification online to a great number of public and private organisations.

12. Health related services (interactive advice on the availability of services in different hospitals; appointments for hospitals)

Responsibility:	Central Government (Ministry of Health and Social Affairs)/Regional Government
Website:	http://www.stm.fi/Resource.phx/stm/index.htx
Sophistication stage:	1-2/4
Description:	Information only, mostly about health services and national health policies, strategies and projects.

Source: The online sophistication ratings are in agreement with the report 'Online Availability of Public Services: How is Europe Progressing?' carried out for the European Commission

eGovernment Services for Businesses

Availability and sophistication of eServices for Businesses

The information in this section is based on the common list of 20 basic public services (12 for citizens, 8 for businesses) adopted by the Council of the EU in March 2001, and on the methodology used to assess their level of online availability and sophistication in the eEurope benchmarking exercises (see: *eGovernment indicators for benchmarking eEurope*).

The 8 services for businesses are as follows:

1. Social security contributions for employees

2. Corporation Tax: declaration, notification

3. VAT: declaration, notification

4. Registration of a new company

5. Submission of data to statistical offices

6. Customs declaration

7. Environment-related permits

8. Public procurement

For each service, the sophistication stage reached is indicated, with reference to the maximum stage possible for the service.

- Stage 1 - Information: online information about public services
- Stage 2 - Interaction: downloading of forms
- Stage 3 - Two-way interaction: processing of forms, including authentication
- Stage 4 - Transaction: full case handling, decision and delivery (payment)

1. Social contribution for employees

Responsibility: Central Government, Tax Administration

Website: http://www.vero.fi/

Sophistication stage: 4/4

Description: Employers can pay the taxes withheld from wages and the employer's social security contributions to the tax office electronically.

2. Corporation tax: declaration, notification

Responsibility: Central Government, Tax Administration

Website: http://www.vero.fi/

Sophistication stage: 4/4

Description: Online submission application and online payment system for corporate tax.

3. VAT: declaration, notification

Responsibility: Central Government, Tax Administration

Website: http://www.vero.fi/

Sophistication stage: 4/4

Description: Online submission application and online payment system for VAT.

4.   Registration of a new company

Responsibility:	Central Government, Tax Administration and National Board of Patents and Registration
Website:	http://www.ytj.fi/
Sophistication stage:	3/4
Description:	Information on administrative procedures for businesses (registration, address, etc.) and downloadable forms for registration of a company. An electronic interactive form filling system is under development.

5.   Submission of data to statistical offices

Responsibility:	Central Government, Statistics Finland
Website:	http://www.stat.fi/
Sophistication stage:	3/3
Description:	Submission of data to the statistical office can be made online.

6.   Customs declarations

Responsibility:	Central Government, National Board of Customs
Website:	hhttp://www.tulli.fi/
Sophistication stage:	4/4
Description:	Customs declarations can be made online.

7. Environment-related permits (incl. reporting)

Responsibility: Central Government, Ministry of the Environment

Websites: http://www.ymparisto.fi/

Sophistication stage: 3/4

Description: Information and forms to download. Environment permits are delivered by one of the 3 regional Environmental Permit Authorities.

8. Public procurement

Responsibility: Central Government, State-owned company Hansel Ltd.

Website: http://www.hansel.fi/

Sophistication stage: 3/4

Description: Hansel Ltd. is a state-owned procurement expert and a central purchasing body, providing a full set of e-procurement tools and services to the Finnish public sector. It once operated a complete system for electronic tendering and procurement (Sentteri) but due to lack of turnover, the system is no longer in operation.

Source: The online sophistication ratings are in agreement with the report 'Online Availability of Public Services: How is Europe Progressing?' carried out for the European Commission

European Commission
ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL