DIGITAL ECONOMY COMMITTEE

OBJECTIVE 1: DEVELOP AN EFFICIENT AND SERVICE-ORIENTED E-GOVERNMENT

…BY ENHANCING THE REGULATORY FRAMEWORK FOR E-GOVERNMENT, E-BUSINESS, AND ELECTRONIC COMMUNICATIONS

CHALLENGE: The Law on Electronic Documents, Electronic Identification and Trust Services in Electronic Transactions was the first step in improving the regulatory environment for e-commerce and electronic communications between the public administration, members of the public, and businesses. Although it took effect in October 2017, this piece of legislation is yet to be fully implemented by all authorities.

> **RECOMMENDATION:**
> - Create conditions for full implementation of the Law on Electronic Documents, Electronic Identification and Trust Services in Electronic Transactions within the public sector, with the imposition of legally prescribed measures in case of non-recognition of validity, i.e. contestation of the probative value of an electronic document composed in accordance with the law.

CHALLENGE: Serbian public authorities fail to recognise electronic signatures made using qualified electronic certificates issued in EU Member States. Notwithstanding the statutory obligation for the relevant line ministry to co-operate with the appropriate international bodies to ensure cross-border interoperability of national electronic identification schemes, recognition of services provided by foreign qualified trust service providers requires reciprocity and a ratified international treaty. Serbia has to date entered into such treaties only with Montenegro and North Macedonia.

> **RECOMMENDATION:**
> - Legislate conditions to ensure electronic signatures made using qualified electronic certificates of issuers registered in EU Member States in accordance with EU Regulation No 910/2014 (the eIDAS Regulation) are recognised by Serbian public authorities.

CHALLENGE: Although Articles 9 and 103 of the Law on General Administrative Procedure require public authorities to obtain data from official registers through official channels, this requirement is not consistently respected in practice, as many regulations remain in effect that require service users to produce excerpts from official records, certificates, and other documents required for decision-making. Moreover, regulations oblige users to provide proof of payment of fees and charges, even though payments of all public revenues are subject to official record-keeping.

> **RECOMMENDATIONS:**
> - Align specific regulations with general legislation on e-government, e-commerce, and general administrative procedure to ensure that service users are no longer required to produce documents that are subject to official record-keeping.
> - Provide all public authorities with capacity to access the Government Service Bus[1] and address issues with accuracy of data and speed in accessing them.

CHALLENGE: Public authorities still require service users to produce and keep paper versions of electronic documents, resulting in parallel management of both physical and electronic files and unduly increasing costs for all stakeholders (e.g. delays in the supply of medicines and medical supplies to the market).

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[1] Pursuant to the Decree on the manner of keeping the meta-register, the manner of approving, suspending and revoking access to the Government Service Bus and the method of working on the e-government portal ("Official Gazette of SR", No. 104/18).

RECOMMENDATIONS: Ensure the public administration document management system supports electronic exchange of information and electronic communication between public authorities.

- Re-design public authorities' case management procedures, from filing to case processing, exchange of information, service of process, to reliable safekeeping of documents and data in electronic format, to ensure that electronic formats take precedence and physical documents are used only at the insistence of a service user or in other cases explicitly envisaged by law.
- Establish information systems that will support electronic case management – a shared Clerk's Office and e-Archive – and integrate them into existing arrangements.
- Bearing in mind that the Agency for Medicines and Medical Devices (ALIMS) currently has an online platform for applying for licenses for medical devices, and it is in the final stage of preparing a similar platform for medicines, relying on experiences during the COVID-19 pandemic, it is necessary to completely eliminate the requirements for paper documentation in the process of issuing licenses for medical devices and medicines. Prioritization should be carried out in other sectors of vital importance for the functioning of the economy during the pandemic, to establish the electronic exchange of documents as soon as possible.

CHALLENGE: A lack of centralised electronic registers and records hinders development of e-Government and interoperability in public administration, with certain number of all records currently still kept on paper. Moreover, registers are often difficult and expensive to update, and any changes are made only when requested by service users, which means information frequently remains outdated.

RECOMMENDATIONS:
- Digitalise and clean up databases, records, and registers maintained by the various public authorities and integrate them into a single online database in machine-readable format. Priority should be accorded to the Central Population Register, Administrative Procedures Register, and Address Register.
- Enhance the e-Government web site to provide simple and clearly laid out options for managing user information, and ensure the system automatically updates this information as and when changes are made to original records.

CHALLENGE: Although the Draft Law on Electronic Communications was adopted by the Government of the Republic of Serbia at the end of 2017, it has been amended several times in the meantime and has still not entered the parliamentary procedure. In the meantime, there have been changes in the European regulatory framework and the adoption of the so-called European Code of Electronic Communications (Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (Recast) Text with EEA relevance). Given that the current law is in line with the 2003 regulatory framework, Serbia is significantly behind in adopting the acquis in this area. Also, delays in the adoption of this law are conditioned by delays in the adoption of a special law concerning the further development of broadband internet. Finally, the current regulatory framework does not follow the dynamic development of the sector, especially in relation to the introduction of 5G technologies.

RECOMMENDATIONS:
- Adoption of the Law on Electronic Communications in consultation with stakeholders, in order to harmonize the new regulation with the current regulatory framework of the European Union (to eliminate the shortcomings of the current law, identified through its implementation so far, and thus accelerate amendments to bylaws in line with conditions created on the electronic communications market);
- Adoption of laws/regulations that would comprehensively establish a regulatory framework that would facilitate the development of broadband networks based on the principles of objectivity, transparency, non-discrimination and technological neutrality.

…BY ENHANCING INFRASTRUCTURE

CHALLENGE: Conduct an efficient and simple auction for the purchase of radio frequencies for the introduction of 5G technology as soon as possible, with the selection of the optimal spectrum auction model that will best suit domestic market conditions, stimulate additional infrastructure investments and be in line with best practices EU.

> **RECOMMENDATIONS:**
> - It is important for the auction to be a means of allocating spectrum, not short-term budget earnings. We believe that the main goal of introducing 5G technology is fast and efficient network development and providing new technology to as many users as possible, and in that sense, it is necessary to choose the auction method and license prices in such a way that market players are encouraged to further invest in infrastructure and thus provide access to the widest range of users as soon as possible;
> - It is necessary to provide transparent, predictable and commercially based **access to the existing fixed infrastructure** to telecommunications operators, as well as to other public and private entities, including unhindered access to other infrastructure that allows easy and efficient installation of optical infrastructure (telecommunications lines, heating pipelines etc.), inter alia through the improvement and implementation of the regulatory framework relating to the obligations of operators with significant market power;
> - The process of creating regulations, both those related to 5G and those related to the "opening" of the existing infrastructure, should be transparent and inclusive.

…BY INTRODUCING AND ENHANCING ELECTRONIC SERVICES AND PROCEDURES

CHALLENGE: The e-Government web site, the central venue for providing e-services, ought to be enhanced in a variety of ways so to improve overall user experience.

> **RECOMMENDATIONS:**
> - Enhance the functionality of the e-Government web site by allowing procedures to take place entirely online, rather than only allowing users to schedule meeting times and in-person document filing slots online, which was the case in the past.
> - Continue developing the online payments module to allow payment to be made without leaving the web site (where all fees for one service would be made in one single payment, whilst automated clearance arrangements would ensure the appropriate amounts are credited to the various government accounts), so removing the requirement for service users to provide physical proof of payment.
> - Introduce progress tracking for procedures and allow users to see whether time limits are adhered to.
> - Improve the eGovernment portal by developing a mobile platform, adapted to smart devices, tablets, smartphones and others, with the aim of providing services for citizens and the economy through modern applications and facilitating the use of electronic services.

CHALLENGE: The existing e-Inspector system, which is part of the e-Government portal, needs to be improved to enable easier and faster two-way communication of companies with inspections, in order to achieve more transparent access to public data.

> **RECOMMENDATIONS:**
> - Access to companies' cards, with the possibility of updating data by businesses themselves.
> - Access to data on the category of risk in which companies are classified, in order to be able to perform self-verification of compliance with the requirements of the checklist and self-assessment of risk.
> - Facilitating the exchange of documents between business entities and inspection bodies.

… THROUGH THE DEVELOPMENT OF THE SMART CITY CONCEPT, THE INTRODUCTION OF IOT TECHNOLOGY AND INCREASED AVAILABILITY OF OPEN DATA

CHALLENGE: Smart City is a global concept that uses information and communication technologies (standard and IOT) to create an eco-system for the exchange of information between citizens and the economy on the one hand and local government on the other.

> **RECOMMENDATIONS:**
> - Development of a special Web portal (or part of the eGovernment portal) for the provision of electronic Smart City services.
> - Development of Smart City services adapted to local needs, that would make local government more efficient. At the same time, it would enhance comfort of citizens by increasing the efficiency of utilities (measuring utility consumption, detecting and timely repair of distribution networks, automated management of street lighting, public transport, etc.)
> - Smart City services also encourage energy efficiency (heating control), environmental protection (air pollution monitoring, waste management) and reduce infrastructure maintenance costs, enabling permanent monitoring of assets (lines, manholes, metering points etc.)
> - The technologies that will be used in the development of the Smart City concept have to be tested and safe, with already proven use value in the countries of the European Union.

CHALLENGE: Raising awareness for wider implementation of the concept of open data, which are a result of the work of public institutions, subsequently made available to the economy and citizens.

> **RECOMMENDATION**: Open data should be perceived as a strategic resource and a significant factor in achieving the well-being of the whole community. Data opening enables analysis and comparison with data of other public institutions, which increases transparency in the work of the administration and improves the quality of service provision. Open data is machine readable and relatively easy to use, significantly benefiting to the economy and the public in general. By using open data, many new types of services and applications can be developed in the fields of transport, public transport, navigation, translation, health, etc, encouraging the creation of new value and the development of a creative economy.

OBJECTIVE 2: ENSURE HIGHEST LEVELS OF RELIABILITY AND SECURITY FOR USERS

…BY REGULATING SPECIFIC PERSONAL DATA PROCESSING ARRANGEMENTS

CHALLENGE: Even though the 2019 Personal Data Protection Law is largely aligned with European regulations and standards, the opportunity was missed to use this piece of legislation to regulate personal data processing in special situations or specific areas (such as CCTV recordings, biometric data, employment data, and the like).

> **RECOMMENDATION:** The Personal Data Protection Law, which is the umbrella piece of legislation in this field, should at a minimum regulate fundamental principles for a variety of personal data processing types as required in practice, whereas other specific rules, where appropriate, would regulate the purposes of these specific types of data processing.

…BY STRENGTHENING INFORMATION SECURITY CAPACITIES

CHALLENGE: Information systems security is not high on the list of priorities for the central government and local authorities. The Information Security Law explicitly assigns powers to a set of institutions, but these are, however, not exercised in practice. The Serbian Government's Information Security Strategy, 2017-2020, calls for capacity-building of the national Computer Emergency Response Team (CERT) at RATEL.

RECOMMENDATIONS:

- Digitalisation and development of e-Government must be accompanied by the implementation of well-designed and consistently reviewed information security arrangements.
- CERTs should continue to be created, equipped, and trained in co-operation and effective exchange of information.
- Stakeholders should be made aware of the need to report incidents and implement effective platforms for this purpose, and better oversight of these requirements should be ensured.
- The national CERT should be empowered to actively participate in countering cyber-attacks at the national level, especially if these are likely to escalate.