

e-VEM

On 1 July 2005, data from the register of sole traders at the Tax Administration of the Republic of Slovenia (TARS) was transferred to the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES). Since the updating of the Business Register of Slovenia was actually carried out on 1 July, the e-VEM portal was unable to function, and began operating at access points on 4 July 2005. Today, we are very proud to have more than 200 local access points and one very large point: the internet. Use is remarkable, as we record over 80 entries and changes a day, more than 40 of which are carried out via the internet. This brings great pleasure to the project planners, in particular. Most were of the opinion that this was a project with no chance of success (mission impossible). I must admit that those who made this assertion were not far from the truth. The high level of mutual trust of the select project group and its experience as well as tremendous perseverance and belief in success and our knowledge guided us to the end.

Project VEM and e-VEM - highlights and differences

On several occasions, the public has raised the question regarding the difference between the VEM and e-VEM projects. Both abbreviations are derived from the same abbreviation, VEM (Vse na Enem Mestu = "all in one place"). For the VEM project, managed by the Ministry of the Economy, the emphasis is on the establishment of local entry points, a normative framework, the training of local entry points for advisory services, etc. Also included is an international public tender in the scope of the Phare programme, which contributed EUR 2 million to the establishment of the VEM project. The e-VEM project represents electronic support for the VEM project, including key elements such as data exchange within the public administration, the updating of procedures, the elimination of administrative barriers, the integration of information systems, horizontal linkage of the public administration, etc. This project is managed by the Ministry of Public Administration and by outsourced partner SRC, which was selected by public tender.

Objectives

The e-VEM project follows the strategic objectives of the Ministry of Public Administration and the Government of the Republic of Slovenia. It follows these objectives in terms of redirecting public administration to users and establishing a friendly environment for the development of private enterprise. In this way, we are attempting to improve the electronic support of relations between entities within and outside the public administration through the use of modern information and communication technology. The "VEM" project and its electronic counterpart "e-VEM" represent an important tool for achieving the aforementioned objectives.

Benefits

What might we consider as benefits of the project? The visiting of just one physical location to register a sole trader, to make changes to a sole trader's data, to delete a sole trader, to register and/or cancel compulsory health and pension insurance as well as the submission of data for personal income tax

assessment to TARS and entry into the tax register is, in itself, a tremendous achievement. Other advantages of the system include the possibility of consulting with a VEM advisor, who will help citizens complete applications and the possibility to carry out all the aforementioned procedures from the comfort of home. Another significant benefit is the possibility of monitoring on-going procedures. Greater transparency of the procedures of several institutions means building on the added value brought to us by electronic commerce.

Savings (comparison of the situation before and after the introduction of the e-VEM and VEM project)

Prior to the VEM and e-VEM project, the registration process for a sole trader took an average of 7 days. The following institutions were involved: a notary (authentication of signature on documents: SIT 1,960); TARS (entry into the tax register, registration process and personal income tax assessment);



Picture 1. e-VEM portal screenshot

AJPES (registration in the business register). To register an employee in the compulsory health insurance scheme, a visit to the Health Insurance Institute of Slovenia (ZZS) followed, which a citizen accomplished in one day. The registration cost was an additional SIT 3,400. The time required to complete the aforementioned activities was as follows: 8 days, on average, and physical visits to 3 institutions (time required: more than one day). Total direct costs were more than SIT 5,000. The introduction of the VEM project has made the following possible: a visit to one of 130 VEM entry points (assistance from an e-VEM advisor). The activities relating to the registration of a sole trader may also be carried out using a home computer via the internet.

The submission of data to TARS (entry into the tax register and submission of data for personal income tax assessment) and to ZZS (registration and/or cancellation of compulsory health and pension insurance) via one entry point (physical or virtual) is now possible. The time required to complete the aforementioned activities is as follows: 1-2 days, on average; 1 physical visit to an institution (VEM point), requiring several hours. Registration costs: none. Time savings: 1 day, plus transportation costs, parking and the elimination of direct costs for authentication and registration. Since there are close to 8,000 registered sole traders in Slovenia, it is possible to estimate savings in working days (400 months of working days) and direct savings

(there are no more notary costs, forms or administrative fees). We have calculated that the savings are close to 180 million tolars a year.

Conclusion

We have taken a significant step forward in the area of e-commerce in Slovenia. We have taken another step up the ladder of the most successful countries in the area of electronic government in the EU. No one can contradict this fact. We accomplished this in an area which was largely ignored until now. In this respect we have broken new ground. We have proven that by merely linking and integrating we can add value to the operations of the public administration. We have introduced new advanced technology, trained advisors in their work, and we have shown how easily we can manage the most demanding projects, valued by the EU and across the globe, even if the local public does not always express its gratitude. Or as Dr Virant said at the conclusion of the project: "Now everything is possible".

All of our gratitude goes to the SRC project team and my apologies to them for the sleepless nights. There was no other way: we were still awake when the morning that was written into Slovenian e-commerce history arrived.

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