e-Transformation Turkey Project and e-Government in Turkey

STATE PLANNING ORGANISATION

Information Society Department

January, 2010

Studies and Initiatives Prior to e-Transformation Turkey Project

- World Bank (1993): Turkey: Informatics and Economic Modernization

- Ministry of Transport (1999): TUENA – Masterplan for Turkish National Information Infrastructure

- Undersecretariat of Foreign Trade (1998-2002): Coordination Council for e-Commerce

- Prime Ministry (1998-2002): KamuNET

- Turkish Informatics Assembly (May 2002)

- Prime Ministry (2001-2003): e-Turkey Initiative

- Lisbon Strategy, 2000
- e-Europe (+) Initiative

e-Transformation Turkey Project

e-Transformation Turkey Project

- Urgent Action Plan (2002)

  Public Management Reform →e-Transformation Turkey Project

- The Project initiated in February 2003 with Prime Ministry Circular (2003/12, 27 February 2003)

  3 main goals of the Project:

    - *Achieving **efficiency and effectiveness** in e-Government projects*

    - **Coordination** *(information society activities),*
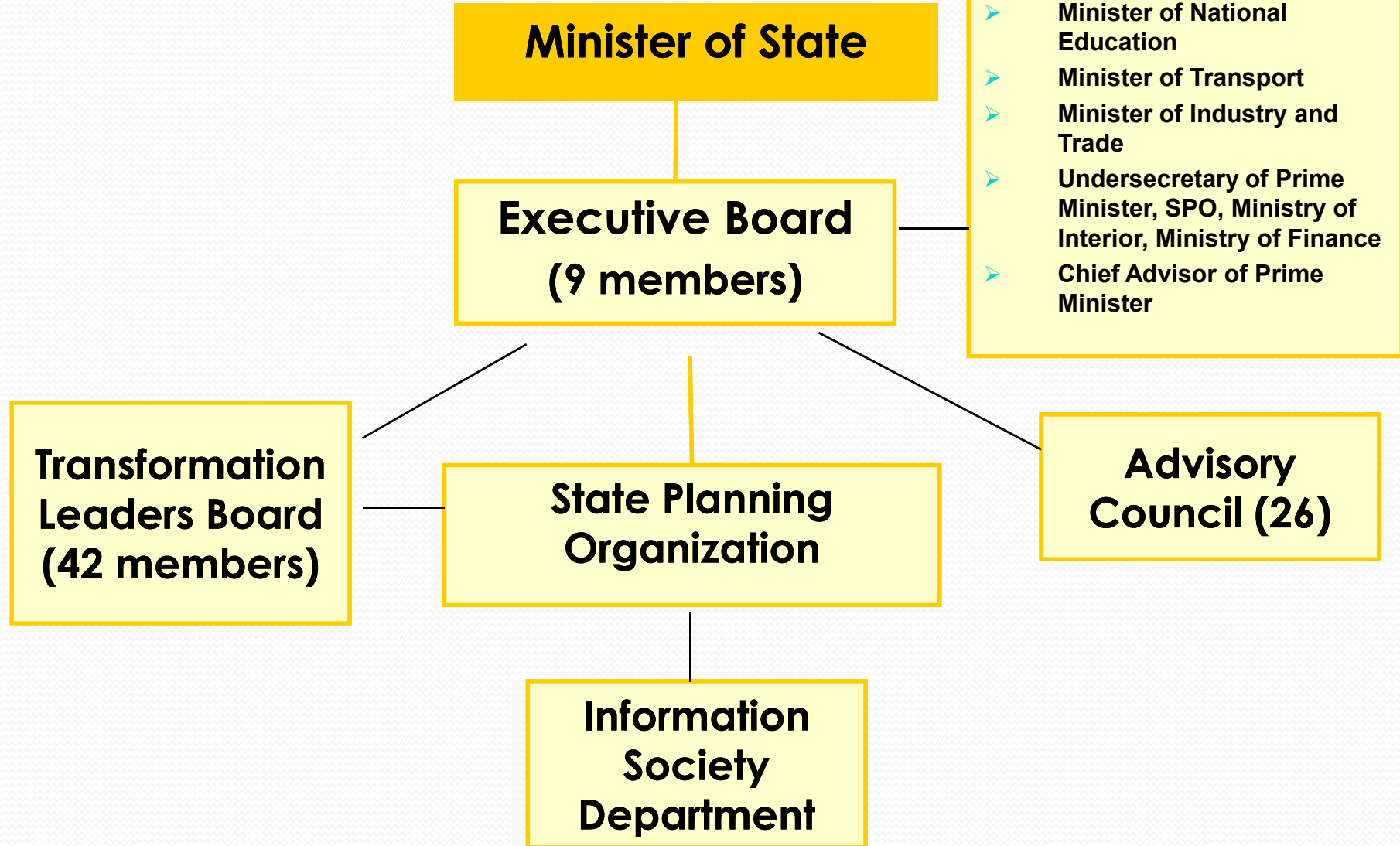
    - **Alignment** *with EU in ICT,*

- SPO responsible institution

- Information Society Department **2003**.

e-Transformation Turkey Project

- **Two Action Plans prior to the Strategy**
  - 1. Short Term Action Plan (STAP) with 73 actions (2003-2004) (success rate: 47%)
  - 2. 2005 Action Plan with 50 actions (2005) (success rate: 40%)
- **Information Society Strategy and Action Plan**
  - covers 2006-2010 period
  - 111 actions
- **Institutional Structure**
  - e-Transformation Turkey Executive Board
  - e-Transformation Leaders
  - Advisory Board

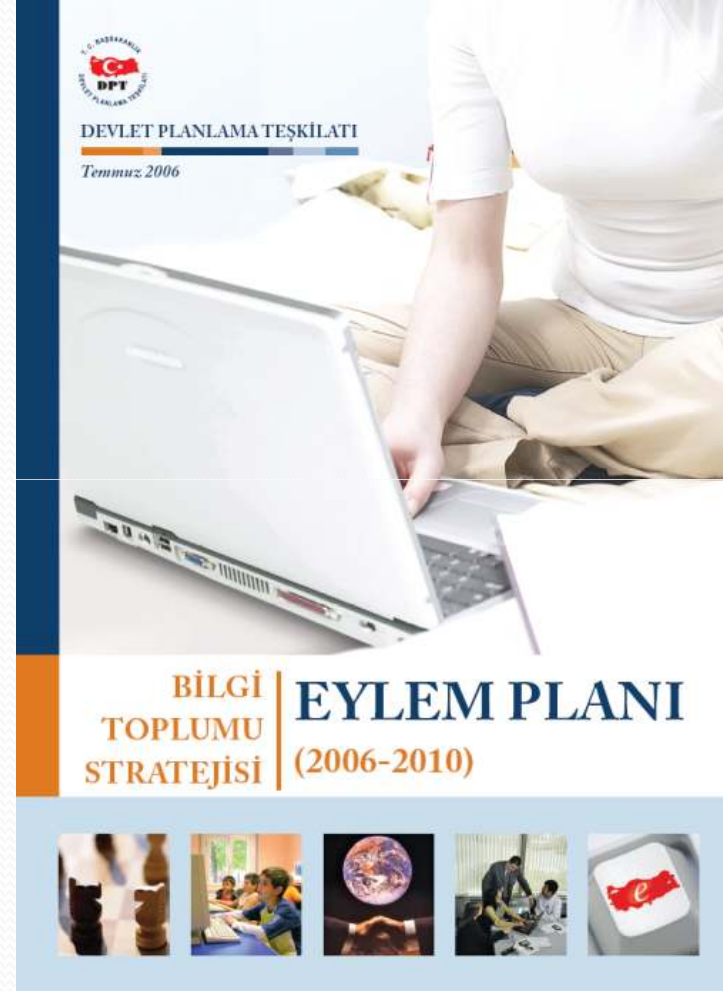Lisbon Strategy renewed in 2005; i2010

Minister of State

Executive Board (9 members)

- Members
  - State Minister SPO is affiliated with
  - Minister of National Education
  - Minister of Transport
  - Minister of Industry and Trade
  - Undersecretary of Prime Minister, SPO, Ministry of Interior, Ministry of Finance
  - Chief Advisor of Prime Minister

Transformation Leaders Board (42 members)

State Planning Organization

Advisory Council (26)

Information Society Department

Information Society Strategy

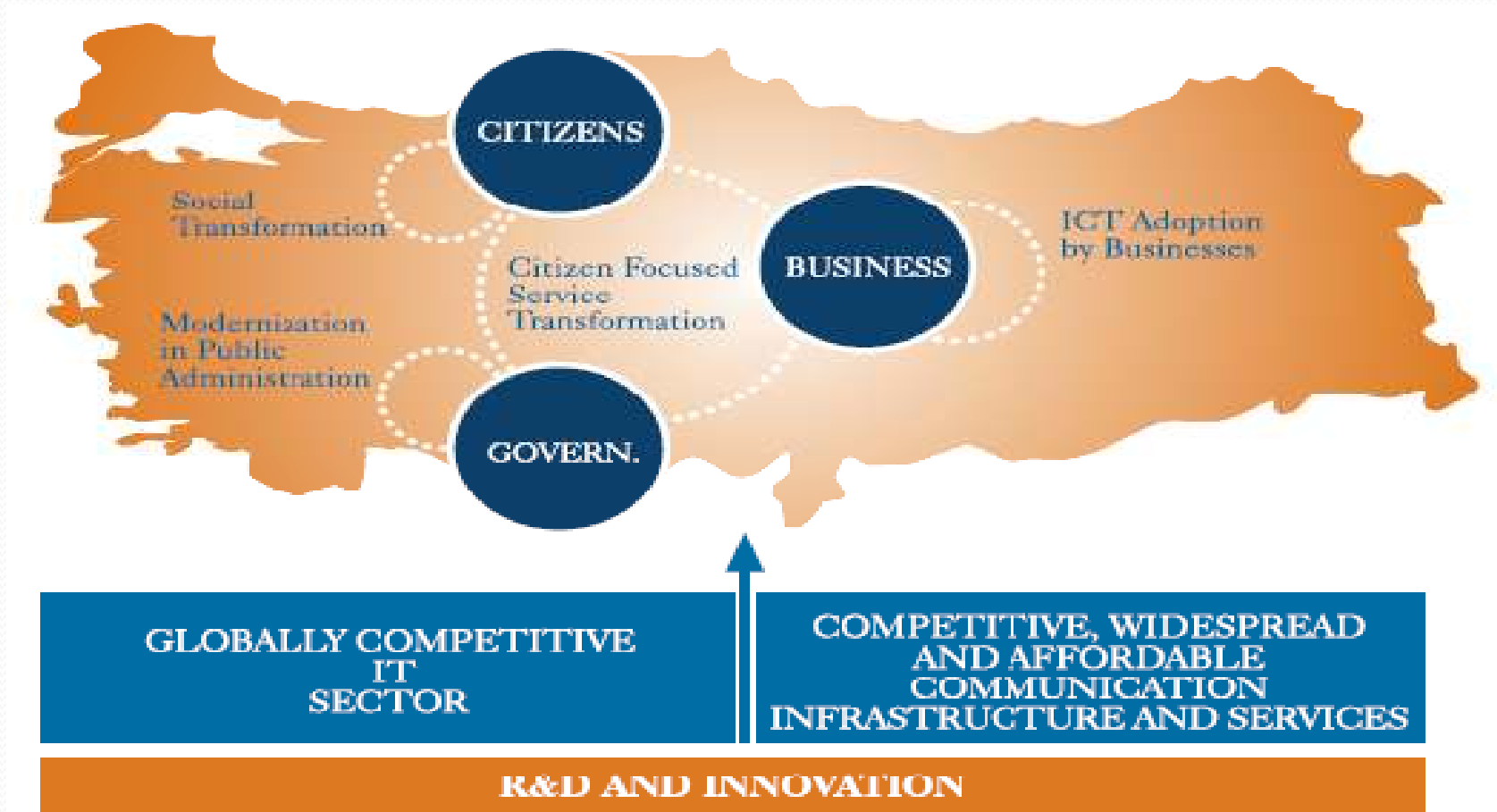# Information Society Strategy Preparation

- Consultancy Service through procurement (2005)

  (Peppers & Rogers Consultancy)
- Participatory approach
- Public agency questionnaire
- Interview with firms and NGOs
- Citizen survey
- Business survey
- Workshop

Information Society Strategy Preparation

- Put into implementation in July 2006

- Integrated into 9nth Development Plan, Medium-term Programs and annual programs

BİLGİ TOPLUMU STRATEJİSİ
(2006-2010)

BİLGİ TOPLUMU STRATEJİSİ | EYLEM PLANI
(2006-2010)

Turkey's Information Society Approach

Information Society Strategy

Strategic Priority Areas

1. Social transformation
2. ICT adoption by businesses
3. Citizen oriented public service
4. Modernization of public management
5. Globally competitive ICT sector
6. Competitive, widespread and affordable telecom infrastructure and services
7. R&D and innovation in ICT

Social Transformation

- **Objectives**
  - Widespread access
  - Focused competency
  - High motivation and rich content
- **Some of the Key Actions**
  - IT infrastructure in schools
  - Public Internet Access Points
  - Computer ownership and internet access
  - ICT Literacy & Competency Development Programs
  - Internet security and content development

ICT Adoption by Businesses

- **Objectives**
  - Facilitating business transactions with the government
  - Providing easier access to information
  - Developing the ICT competency of enterprises and employees
  - Developing e-commerce
- **Some of the Key Actions**
  - Supports for ICT infrastructure and competency
  - e-Learning based sectoral vocational training
  - e-Commerce security infrastructure
  - Online company registry and environmental permits
  - Investment information portal for FDI

Competitive IT Sector

- **Objectives**
  - Development of human resources,
  - Sector organization,
  - Developing sector competencies,
  - Increasing exports,
  - Fostering demand for IT
- **Some of the Key Actions**
  - Programs for development of IT workforce and academicians
  - Establishment of ICT Sector Union
  - Informatics Valley
  - Promotion of software quality certifications
  - Regulations for effectiveness in Public IT Procurement

Communication Infrastructure and Services

- **Objectives**
  - Creating a competitive environment in the telecommunication sector,
  - Tax arrangements in communication services,
  - Developing and expanding communication infrastructure
- **Some of the Key Actions**
  - Strengthening of competition in infrastructure and services
  - Tax reduction for data and internet services

R&D and Innovation

- **Objectives**
  - Development of research capacity
  - Improvement of university industry cooperation
  - Increase the competitive power, R&D and Innovation spending of private sector
- **Some of the Key Actions**
  - Support of Innovation in ICT
  - Academic career criteria and R&D

e-Government in the Strategy (1)

1) Citizen Focused Service Transformation

- **Objectives**
  - Citizen focused approach
  - Service transformation
  - Communication management
  - e-Government applications

- **Some of the Key Actions**
  - Health Information System
  - Education and Information Portal
  - e-ID Card
  - Address registry

e-Government in the Strategy (2)

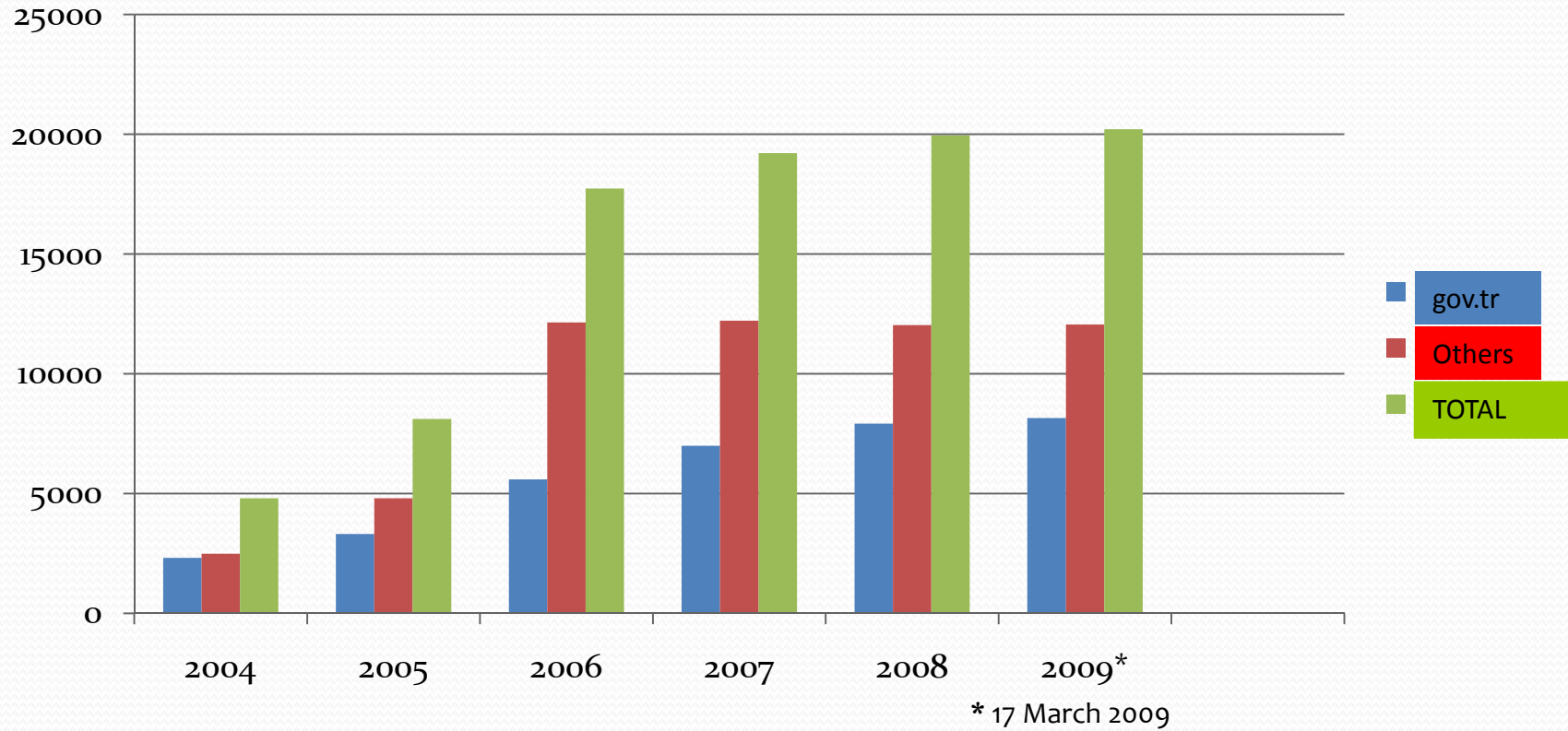## 2) Modernization in Public Administration

- **Objectives**
  - Shared Technology Services and Infrastructure
  - Effective Procurement Management
  - Data and Information Management
  - Electronic Communication
  - Human Resources and Competency Development
  - Security and Privacy of Personal Information

- **Some of the Key Actions**
  - Dissemination of e-Government Gateway Services
  - Usage of Open Source Software in Public Institutions
  - Shared technology and services (e-Government Gateway, call center, secure government intranet, etc.)
  - ICT project implementation and competency development in public institutions

Public Web Sites

* 17 March 2009

- May 2003: 2.260 web sites
- March 2009: 20.207 web sites

Major e-Government Applications and Projects (I)

e-Government Gateway

- one stop shop, integrated, multi-channel (internet, mobile, call centre) service delivery platform

- common platform for identification and payments

- launched in December 2008 with 22 services

Major e-Government Applications and Projects (II)

Central Census Management System (MERNIS)

- unique ID number for all citizens (over 130 million records database)

Identity Sharing System (ISS)

- ID data sharing platform through web services
- About 2100 agencies, both public and private, signed protocols to use the system

Address Record System

- Citizens address records are integrated with MERNIS through ID numbers
- *PM Circular dictates public agencies do not require citizens to submit ID records and address information and obliges them to acquire this information through ISS*

Major e-Government Applications and Projects (III)

National Judiciary Informatics System (UYAP)

- aims to ensure fast, reliable and robust judicial system
- comprises all of the courts, public prosecutors, prisons, other judicial institutions and other government departments
- serves 40.000 officials and judges, 66.000 lawyers and and for all citizens
- litigate online case, reach and examine case information
- inform citizens of their cases through SMS
- Ministry of Justice announces 2,7 billion € savings with 22 applications of UYAP

Major e-Government Applications and Projects (IV)

Internet Tax Office

- online tax declarations and payments
- online payment of motor vehicle taxes and traffic fines
- 99 % all tax returns are declared online
- OECD study shows unit cost of tax revenue collection decreased from 2 $ to 0.35 $

Major e-Government Applications and Projects (V)

Police Network and Information System (POLNET)

- covers 684 locations
- internal applications (26 main applications, 51 search programs and 26 local applications)
- some online applications
  - passport application
  - driving license (application and information on penalty points)
  - denounce on public order and security
  - search for lost persons

Accounting Office Automation Project (Say2000i)

- Network for communication and data transfer for over 6.000 users in 1.660 auditing branches and 39.500 budget offices throughout the country

- all financial transactions are processed online and followed in real-time

e-Budget

- online demand for budget allocation for public agencies

- keeping track of budgetary spendings

Major e-Government Applications and Projects (VII)

Customs Modernization Project

- facilitate legal trade and prevent illegal trade by using ICT
- customs formalities are carried out in a computerized media in real-time
- 99% of all customs transactions are processed electronically
- About 4 million import and export declarations were transacted in automation (2006)

e-Document in Foreign Trade

- foreign trade transactions, with a standardized "e-Document" in order to create effective, efficient, fast and reliable e-Business infrastructure
- a "Single Window Environment" for all information and all relevant parties

Major e-Government Applications and Projects (VIII)

Social Security e-Declaration Project

- social security premiums of employees declared online
- pay the premiums electronically
- verify payments made and outstanding balance
- 91 % of the firms send their declarations online by July 2008

Major e-Government Applications and Projects (IX)

Turkish Foreign Investment Portal (www.invest.gov.tr)

- guide for foreign investors on;
  - starting a business,
  - cost of doing business,
  - taxes and incentives,
  - special investment zones,
  - demography and labor force,
  - business environment and business legislation
  - infrastructure,
  - economic outlook
- Investment Support and Promotion Agency assists investors in Arabic, Chinese, English, French, German, Italian, Japanese, Korean, Russian, or Spanish as well as Turkish

Major e-Government Applications and Projects (X)

KOBINET for SMEs (www.kobinet.org.tr)

- Information about business environment (marketing, management, taxes, human resources, internet and technology, finance, insurance and labor regulations)
- Information about firms, online business offers
- 22,915 members
- provides user ID, password, e-mail address,
- web pages in 7 languages as free of charge

Tourism Portal (www.goturkey.com)

- information on history, heritage, life-culture, travel guide, where to go and business
- balloon, golf, museums, congress, yachting, hunting, bird watching, mountaineering, paragliding, diving, winter sports, caving, thermal resorts, highlands, youth tourism, botanical species, faith tours

Major e-Government Applications and Projects (XI)

Electronic Signature and Certification Authority

- Electronic Signature Law is effective since 2004
- electronic signature has the same legal effect as that of a handwritten signature
- Public Certification Authority (PCA) for public agencies
- 3 private electronic certificate service providers

Mobile electronic signature

- introduced by a Turkish GSM operator
- initial applications in banking, customs, justice and some local administrations

Ongoing e-Government Projects (I)

e-ID Card

- electronic citizenship cards including biometric elements
- pilot implementation is started
- will be deployed countrywide in 2011

The Land Registry and Cadastre System (TAKBIS)

- set up in 379 land registry offices and 30 cadastre offices
- provide accurate, valid and reliable land information
- keep land registry and cadastral survey maps updated

Electronic Public Procurement System

- online procurement announcement, submission of tender documents, tender results, clearance of bidders
- medical equipment and consumables info bank for submission of bids
- online catalog and purchase from the State Supply Office
- the State Supply Office uses e-procurement for its own purchases

Central Information System for Legal Entities

- unique ID number for all legal entities and one-stop application for establishing a new business

Ongoing e-Government Projects (II)

e-Health

- National Health Information System Project
- Online Health Services - Appointments
- Family Medicine Information System
- Tele Medicine

e-Employment

- electronic platform for unemployed and employers searching for work and labor
- online submission of work and labor demand
- search for both employers and unemployed

e-Invoice and Accounting Ledgers

- initiated in February 2008, provides huge savings both for public and private
- since its inception over **718 million second copy of invoices** printing has been **saved**
- 6 firms, 5 of which are telecom operators uses the system

Culture Portal

- interactive information portal on Turkish culture, history and tourism

Some Main Achievements (1)

Interoperability & Standards for e-Government

- Guide for Interoperability
- Guide for Public Agency Web Sites
- A unique number for all citizens and ID Sharing System
- Reference for electronic document management (TSE 13298)
- Public Electronic Certification Authority (e-signatures)

Some Main Achievements (2)

Education

- Broadband access to 41000 schools and agency as of June 2009
- VSAT internet connection to 4.300 schools (September 2008)
- 94 % of primary and 100% of secondary school students have broadband access
- 29.000 IT classes

Student Information System

- Parents are able to reach information on grades and average of their children and any other information needed

Public Internet Access Points (PIAPs)

- 1,850 PIAPs

Some Main Achievements (3)

Software Sector

- Main policy tool for software sector is "Technology Development Zones" where the software companies comprise more than 60% of total number of companies located in these zones.

- The number of established Technology Development Zones is 31, among which 19 are actively operating and more than 8500 researchers are employed.

- The other mechanism, the Law No 5746: Supporting Research and Development and Innovation Activities has come into force in March 2008.

- This law regulates incentives provided in the field of R&D and innovation.

- Incentives:
  - R&D expenditures discount,
  - income tax exemption and
  - insurance premium support

Legal Framework (I)

Basic information society legislation

- Right to Information Law (2003)
- Inclusion of cybercrime in the Criminal Code (2004)
- Electronic Signature Law (2004)
- Amendments in the IPR Law
- Universal Service Law (2005)
- Law No. 5651 on regulating broadcast in Internet and combating crimes committed through such broadcast (2007)
- Electronic Communications Law (2008)
- Secondary legislation on telecommunications

Other legislative framework regarding IT and e-Government

- Public Procurement Law (2008)
- Census Services Law
- Law No.5942 amendments in the Traffic Law No.2918
- Circulars regarding the payment of taxes online, social security related law and by-laws...

Legal Framework (II)

✓ Draft Data Protection and Privacy Law (pending in the Parliament)

✓ e-Commerce related works regarding the harmonization of 2000/31 EC is underway

✓ Draft law for on-line vehicle registration and licensing services (Partially passed Law No.5942 amendments in the Traffic Law No.2918)

Basic Indicators

ICT Sector Profile

- Market size:
  from 10,3 billion USD in 2002 to 21.8 billion USD expected in 2009
- Broadband coverage almost 90 %
- Internet gateway capacity up from 4,35 Gbps in 2004 to 206,5 Gbps in 2008
- Public Internet Access Points (1.850)

ICT Usage Statistics

	2002 (end)	2009
Fixed Line Subscriber Penetration Rate (%)	30	24
Mobile Telephone Subscriber Penetration Rate (%)	33,3	89
Broadband Subscribers Penetration Rate (%)	0,05	8,7
Internet User Penetration Rate (%)	5,7	38,1

Central Government Investment in IT (2009 prices)

- 267 million USD for 203 projects in 2002
- 590 million USD for 244 projects in 2009

Readiness to Information Society

Networked Readiness-World Economic Forum

	2004	2006	2008	2009
Number of the Countries	102	115	127	134
e-Readiness-Turkey	56	48	55	61

The Economist e-Readiness Ranking

	2004	2006	2008	2009
Number of the Countries	64	68	70	70
e-Readiness Ranking-Turkey	45	45	42	43

Turkey in e-Government Benchmarks

Brown University, Global e-Government Report

	2005	2006	2007	2008
Turkey	70	27	8	61
Total	198	198	198	198

EU, 20 Basic Public Services Maturity Level, Cap-Gemini

	All 20 Services (%)	Citizen Services-12 (%)	Business Services-8 (%)
Turkey	69	57	86
EU 27+	76	70	84

Sept 2007; EU 27+: EU27, Turkey, Iceland, Norway, Switzerland

Thank you...

January, 2010

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... Some Figures on Internet Banking and e-Commerce

Internet Banking

- 11.960.000 customers have registered and logged in the system for internet banking by December 2009

- in April-June 2008 period
  - 4.262.930 of these (41 %) used internet banking
  - 7.861.000 transaction for 49.449 million TRY in investment funds etc.
  - 52.891.000 transaction for 143.782 million TRY in financial transactions other than investment funds

Credit Cards

- 13,9 million in 2001
- 37,3 million in 2007
- 1.4 billion transactions for 142.7 billion TRY in 2007

e-Trade

- 43.624.308 transactions for 6.2 billion TRY in 2008 (up to August)

Source: The Interbank Card Center, the Banks Association of Turkey