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DIGITIZATION OF THE PUBLIC ADMINISTRATION IN A FEDERAL CONTEXT: HOW CAN DIGITIZATION SUCCEED IN DECENTRALISED STRUCTURES AND WHAT CAN EUROPE LEARN FROM THE GERMAN MODEL?

Dear Mister President, dear Chair, dear excellences,
fellow colleagues, Ladies and Gentlemen,

Thank you very much for inviting me to speak to you today.

Right now we are all living through a real-life demonstration of how digitization can save lives. In times like these, when many countries in Europe are in lockdown, we rely on digital processes to keep our governments up and running.

So I'm very happy that that we can share ideas across borders about the best ways to drive digitization forward in Europe. To strengthen public administration to serve the people in these difficult days.

Creating a functioning digital government is a job for every member of this committee – but our community as a whole needs to work toward this goal as well. Key to the success is – even during a pandemic – the involvement of citizens. To advance citizen participation is one of the main goals during the German Presidency of the Committee of Ministers of the Council of Europe.

Today I would like to share my thoughts on a topic that may surprise you: why a federalist system is an advantage when it comes to government digitization!

We are all familiar with the kinds of federal structures that determine administrative processes in Germany and across many European bodies: At first glance, they seem to be obstacles on the road to digital government. After all, there's some truth to the proverb "Too many cooks spoil the broth." The word *federalism* often evokes a tangled web of responsibilities and hierarchies. We rarely associate it with fast change. And of course it's true that processes may take longer in large federal systems than they do in small centralized ones. In Germany alone, 16 federal states and nearly 11,000 municipalities – all with significant decision making authority – expect to have a say in what our digital public administration looks like. Since we want to offer 575 administrative services digitally in Germany by 2022, it all adds up to a very complex task.

And yet we in Germany have found a way to make digital innovation and our federal system go hand in hand – and to create user-friendly solutions at the same time.

I will present our approach using three examples: **the tandems**, **the laboratories** and the **coordinators**

1. Gaining speed with tandems

11.000 municipalities, 16 states, and a single federal government. They all share the task of digitizing Germany's public administration – and the bulk of the work takes place at the decentralized state level. In fact, the states are responsible for more than 460 of the 575 administrative services that exist in Germany overall. To prevent a confusing thicket of online processes, the federal government and states work together in strategic partnerships we call "digitization tandems."

To enable the work in tandems, we first identified 14 categories of services. Using these categories, we can bundle similar services – for example, those related to education, work, or public health – even if different authorities are responsible for them. Then a "tandem" consisting of a ministry or agency of the federal government and one (or more) federal states develops all the digital services in each category.

Each service is piloted – in other words, tested and improved in day-to-day operations – in a single state. Once the pilot is successful, the service is made available to the other states as well. In short, it's a prototyping approach just like the one startups use!

And it's motivated by a simple idea: each process is only digitized once. That saves money and avoids unnecessary duplicate structures. And in the best case, it leads to a consistent digital user experience even in a decentralized federal system.

2. Co-creating with citizens in a digitization lab

Involving citizens early on in the development of e-government offerings is key to success. Doing so is the only way to ensure that the resulting solutions are user-friendly and that all sides accept them.

In Germany, digitization labs provide a way to take account of the needs of diverse – and sometimes divergent – stakeholders. The labs bring together users, IT specialists, administration staff, and legal experts, who all really take the time to think through processes from a new perspective.

The first step is to analyze how administrative services are provided today. It starts with a review of existing applications and forms. Then interviews and user tests take place to pinpoint problems and opportunities to do better. Finally, workshops are held to develop a new process based on these findings.

This effort takes several days and produces a very important result: a concept package that provides the foundation for implementing digital services throughout the federal states and municipalities. It includes a click prototype, which serves as the basis for technical development. There's also an implementation plan with concrete recommendations and suggested improvements. The plan provides guidance both for setting up a digital service for the first time in a specific state and its subsequent use nationwide.

Digitization labs cover a broad palette of topics. They range from social and family benefits with hundreds of thousands of recipients, such as allowances for children or parents or unemployment benefits, to complex services for companies, such as applications for building permits. Those affected by the changes are involved every step of the way. So far we have set up more than 40 digitization labs in Germany and now, during the pandemic, they are fully digital.

3. With lots of cooks, you can serve a great buffet!

Our work is based on a simple, convincing concept we call the "one for all" principle. Everyone cooks something and we all get to enjoy the full selection of digital services as a result. A fully collaborative approach, where everyone can contribute what they can do best!

Of course, it's only natural that diverging political interests exist side by side in a federal system. Not all participants have the patience to wait for another state's solution. Or they want to be sure that the development work takes specific considerations for their region into account. The all-for-one approach only works if there's trust, a lot of coordination, and a good facilitator. A central coordinator that keeps the process going and pushes for progress – regularly and persistently – is essential whenever a number of independent, self-reliant actors work together.

For this reason, we built in coordination at key points from the very start. For example, every state has a central coordinator for issues related to the Online Access Act, or OAA. Each federal ministry or agency has an OAA contact, too. And the Federal Ministry of the Interior has overarching responsibility and keeps an eye on the big picture. This oversight requires networking, negotiation, and sometimes late-night telephone calls.

And all that relates to how I see my role as the federal government's IT Commissioner: as someone who builds bridges, clears obstacles, and drives digital public administration throughout the largest federally organized country in the EU.

This approach has proven successfully, especially during the coronavirus pandemic. In just a few weeks, we are able to provide relevant support to citizens in digital formats and in (nearly) every state.

Europe works from the bottom up

I believe that our federal approach to digitization can serve as a model for Europe. Just like Germany, Europe faces the challenge of bringing different interests and ways of working into harmony as it makes digitization a reality.

A centralized approach that specifies finished solutions and dictates their use from the top won't succeed. Europe is a bottom-up system, not a top-down one – participation at the local level is what makes it work. This is true for both the EU and all the members of the Council of Europe.

Local participation is the reason why Europe's people accept broader solutions, which makes it a cornerstone of European democracy. And so it's essential to provide a structured way for all the member states to contribute to digitization in Europe for their mutual benefit.

This brings us back to how a federal system can bring a digitization advantage – as long as it's possible to identify the best solutions from the great variety of ideas that arise in such a diverse structure. And this is exactly what we need to do, to build lasting solutions and a bright digital future for Europe.