Public Sector Digitisation: The Danish Approach

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Delegation from The Netherlands
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The Ministry of Finance

Ministry of Finance

Agency for Modernisation
Staff: 403 FTE (2018)

Agency for Digitisation
Staff: 245 FTE (2018)

Agency for Governmental Administration
Staff: 232 FTE (2018)

Agency for Governmental IT Services
Staff: 316 FTE (2018)
The Danish Context

• Population of Denmark: 5.6 million
• Public sector involved in most life events
• Very high degree of trust in public sector
• High degree of Internet penetration, usage and competencies in population:
  • 97 pct. aged 16-74 have Internet access at home.
    100 pct. businesses have Internet access (10 or more employees; without financial sector).
  • 91 pct. aged 16-74 use Internet every day.
  • 89 pct. aged 16-74 have interacted online with public authorities within the past 12 months.

Levels of Government in Denmark

- Central government.
- 5 regions:
  - Health services (e.g. hospitals).
  - Cannot levy tax.
- 98 municipalities:
  - Citizens-oriented services.
  - Can levy tax.
  - Municipal autonomy.
- Welfare services are delivered by regions and municipalities.

Public Governance Structure

- Central government
  - Coordination Committee
  - Economic Committee
- Regions
- Municipalities

Annual budget negotiations
The Challenge of Demography

- Demographic development
- Fiscal restraints
- Low productivity growth
- More people with chronic diseases (approx. 1.8 mil. Danes)
- High expectations regarding levels of public service

Population projection 2012-2040
- 84 % more elderly (+70 years)
The Potential for Cost-savings

<table>
<thead>
<tr>
<th>Channel</th>
<th>Cost per transaction (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal services</td>
<td>14.0</td>
</tr>
<tr>
<td>Received letters (paper)</td>
<td>11.7</td>
</tr>
<tr>
<td>E-mails</td>
<td>11.0</td>
</tr>
<tr>
<td>Telephone calls</td>
<td>7.8</td>
</tr>
<tr>
<td>e-services/self-services</td>
<td>4.2</td>
</tr>
</tbody>
</table>

Source: Agency for Digitisation, Ministry of Finance, Denmark, 2012
More than 15 Years of Collaboration within the Public Sector

**Digital Collaboration**
- Digital signature.
- Citizens are allowed to send e-mails to authorities.
- Authorities are communicating digitally.

**Efficient Payments and Internal Digitisation**
- “Easy account” and eInvoicing.
- virk.dk and sundhed.dk.
- Secure e-mail between authorities.

**Common Infrastructure**
- “EasyID”, “EasyLogin”, eIncome.
- Digital Post, “EasySMS”, borger.dk.
- Authorities are obliged to use the common ICT infrastructure.

**Digital Communication**
- Mandatory Digital Post for citizens and businesses.
- Mandatory online self-service for citizens and businesses.
- Digital welfare solutions.
- Basic Data Programme.

2001

2004

2007

2011

2016

**Safer Digital Transformation**
- User-friendliness and coherency of services.
- Data for efficiency, quality, and economic growth.
- Strengthened information security strategy.
- ICT architecture framework for interoperability.
- ICT management strategy.

Agency for Digitisation
Ministry of Finance
Key Public Digital Infrastructure Components

- **Security:**
  - Civil registration number, national eID, federated user management.

- **Messaging:**
  - Digital post solution, remote printing, text-message reminder service

- **Core data:**
  - Authoritative basic data, data distribution solution

- **Portals:**
  - Citizen portal, business portal, health portal

- **Payments:**
  - Designated default bank account, payments service, eInvoicing
Public Sector Digitisation 2011-2015

• Digitisation has freed-up EUR 296 million per year (approx.)

• No more forms and letters:
  – More than 100 service areas have been transformed into digital self-service.
  – 4.6 million citizens are using "EasyID" as the key to the digital Denmark.

• Closer digital collaboration:
  – The eIncome register enables automatic payments of social benefits, including the payments of public pensions to 1.2 million citizens.

• Digital Welfare:
  – Relevant COPD (Chronic Obstructive Pulmonary Disease) patients get the possibility of managing their disease from home from 2019 the latest.
## Results: Mandatory Self-service Online

<table>
<thead>
<tr>
<th></th>
<th>Central government</th>
<th>Payment Denmark</th>
<th>Municipalities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digitisation ratio (pct.)</td>
<td>91</td>
<td>88</td>
<td>81</td>
<td>87</td>
</tr>
<tr>
<td>Volume (digital and analogue, millions)</td>
<td>5.5</td>
<td>1.7</td>
<td>3.4</td>
<td>10.6</td>
</tr>
</tbody>
</table>

### Application for Maternity Benefits
- 100%

### Registration for Primary/Lower-Secondary Education
- 97%

### Application for State Pension
- 95%

### Repayment of Student Loans
- 92%

### Application for Admission to Daycare/After School Care
- 92%

### Preliminary Income
- 88%
The Case of *Digital Post*

• 4.8 million citizens of 15 years of age and above are provided with a mandatory digital letter box – Digital Post:
  – March 2018:
    • 4,368,376 (90.6 pct.) citizens are registered for Digital Post.
    • 440,379 (9.1 pct.) citizens have an exemption from the use of Digital Post.

• 81 pct. of the users are satisfied with Digital Post.

• The public authorities are sending a large number of digital letters:
  – 88.9 Million messages in 2015.
  – 112.6 Million messages in 2016.
  – 126.0 Million messages in 2017.
The Use of Digital Post
December 2017 (1)

- 4.3 million registered citizens by December 2017.
- Only 3.0 pct. of the registered citizens who have received digital letters within the last six months have not logged-on to their Digital Post account to read their letters.
Registered citizens by December 2017 who have received digital letters within the last six months without logging-on to their Digital Post account; age distribution.
A Common Public Sector Digitisation Strategy 2016-2020

The digital approach should be **easy**, **quick** and of **high quality**

2. Better use of data and quicker case handling.
3. Better and more coherent welfare.

Digitisation should provide **good conditions for growth**

5. Public data as a driver for growth.
6. An efficient utilities sector.

**Trust** must be in focus at all times

7. The public sector protects data.
8. Robust digital infrastructure.
User-friendliness and Coherency of Public Digital Services

• Citizen-centricity through the use of life-events.
• Six key user-journeys to be analysed and improved:
  – Moving.
  – Divorce.
  – Acquiring an eID/digital signature.
  – Starting and closing a business.
  – Operate a foreign business in Denmark.
• Common public sector requirements and ongoing measurements of satisfaction and trust.
• Collaboration within the public sector is imperative!
**borger.dk** – the Danish Citizen Portal

- **Monthly visits**: 3 million.
- **User-satisfaction**: 92 pct. are satisfied (December 2017)
- **Personalised user-experience**: more sharing of relevant personal data.
Four Major Initiatives Launched in 2017

The Danish government steps up efforts against cyber threats

A new national strategy for cyber and information security and an extra DKK 180 million are to strengthen Denmark’s ability to fight computer crime and combat hacker attacks.

Denmark is one of the most digitised countries in the world. Citizens, businesses, and the public sector benefit from the fact that are in Denmark are extremely adept at using the opportunities offered by digital technology. But it also means that we are vulnerable to, for example, hacker attacks and cyber crime that can paralyse vital societal functions.
A Strengthened National Cyber and Information Security Strategy

A safe everyday life.

Improved skills and competencies.

A joint effort.
The International Dimension of Digital Transformation

• The European Union:

• The Nordic Council of Ministers:

• OECD:
Stay in Contact

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Newsletter in English:

A solid ICT foundation

The Danish government has launched “A solid ICT foundation – Strategy for ICT management in central government”. This is a strategy designed not only to ensure a responsible approach to state ICT management but also to contribute to a better overview of central government ICT spending, stronger ICT expertise within central government, and also greater collaboration on common solutions, data sharing and basic ICT operations.

Here at the Danish Agency for Digitisation, we have led the work to develop this strategy, and I am both happy and proud of the final result. Especially, I am pleased that the strategy has a strong focus on ICT systems portfolio management within central government organisations.

Since 2011, we have worked actively to create better digital projects – and we will keep on doing so, but it is more than time for us to also focus on the operation of the systems that play an essential role in government sector activities every single day. Yet, it should be made clear that coming up with the strategy is only a small part of these efforts. For us here at the agency for Digitisation, it is now a matter of implementing the initiatives and this is an area where all central government organisations play a key role.

Central government managers are the people with a great deal of responsibility for making sure we pull our weight, and over the next four years we will be going the extra mile to improve the way we work with ICT – this strategy is the first step towards success and I hope that you will welcome it with open arms.

Best regards
Rikke Haugeard Zeberg

Read the strategy for ICT management in central government.