

OECD FORUM 2007
Innovation, Growth and Equity
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Opening Plenary: Innovation, Growth and Equity

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Ladies and gentlemen, distinguished audience.

It is a great pleasure for me to be here today. I feel privileged that the OECD has invited me to take part in the opening plenary session of this Forum. I would like to thank Mr. Angel Gurría, Secretary General of the OECD, for the wonderful opportunity he has offered me.

This OECD Forum centres on three essential themes which are particularly relevant nowadays, and are closely linked to each other: innovation, growth and equity.

These are precisely the focal points of much of the action of the Spanish Government:

1. We believe that **innovation** is the best guarantee of progress in our country and the most effective way of increasing our levels of productivity, and for this reason, we have doubled public investment in this area over the last three years, reaching a total of 6.5 billion euros in 2007.
2. Economic **growth** in Spain in recent years has registered an extraordinary and sustained rate, with control over inflation, record surpluses in public accounts and a gradual reduction in the unemployment rate, which is below the European average.
3. Spain has also undergone important social progress, as **equity and equality of rights** among all citizens has been one of the priority objectives of the socialist Government. We have dealt with important legislative changes, such as the Gender Equality Law; or the Law on Care for People in a Situation of Dependency, which is considered to be the fourth pillar of the Welfare State and ensures public assistance to people who are unable to look after themselves in their daily lives.

Innovation, growth and equity are therefore three essential aspects of our concerns, which are tackled from many angles, based on the need to have strong and efficient public administrations, capable of offering quality services to citizens.

For this reason, we have implemented a reform process of our Public Administration; undoubtedly another priority of the Spanish Government.

The Value of the Public Sector

We are unequivocally committed to the public sector. We are aware that countries with a strong and well organized public sector achieve higher levels of well-being, greater social coherence and are better prepared to resolve crisis situations.

We believe in the value of the public sector as a source of rights and guarantee of citizen's liberties, essential functions for the progress of nations which only the State is able to carry out.

Faced with the challenges of globalization, we are aware that those countries with a well-prepared and efficient Public Administration are in the best position to turn these challenges into real opportunities for development.

On the other hand, a weak institutional framework limits the ability to effectively implement necessary economic or social policies, and deprives the State of the legitimacy required to undertake essential reforms.

Weakness in the public sector feeds social instability by constantly reintroducing debates into the rules of the game. It also reduces the ability to implement public policies and turn them into tangible results and well-being for citizens.

In short, weakness in the institutions creates a context with a high risk of political failure.

We are also aware that a strong State is not compatible with economic growth, but quite the opposite.

One of the important achievements of the advocates of the public sector in recent times has been proving that an economic policy of sustained growth and a responsible fiscal policy are not at odds with social justice.

Progressive governments in developed countries have managed to develop citizen's rights and at the same time obtain fiscal surpluses, which conservative governments had never before achieved.

Our belief in the public sector enables us to work with conviction to improve its efficiency and allow the public sector to increasingly offer services to citizens which meet the levels of quality demanded.

We therefore consider that working towards a new Administration, an Administration which is required and demanded by Spain and Europe of the 21st century, is both essential and cannot be delayed.

Over the past three years, we have taken important steps towards fulfilling this objective, by focussing our efforts on the reform of the model for the provision of public services, through the Law on Agencies, on one hand. With this change, we aim to introduce the concepts of flexibility, fulfilment of objectives and evaluation of results into the operation of our administrations.

On the other hand, we have tackled the reform of the public employment model through the Civil Service Basic Statute, which gives priority to the efficiency, qualifications and professionalism of the employees.

And, finally, we are working towards the technological modernization of the Spanish Administration as one of the key elements in improving our services and ensuring equity in our regions.

Bringing the Public Sector Closer Through Technology

Nowadays, it can be said that the information and communication technologies are one of the factors which most decisively influence relations between human beings themselves and their societies.

Today's world is undoubtedly characterized by the revolution that electronic communications have provoked. For the first time in history, the technologies offer all citizens the opportunity to access information under the same conditions and simultaneously.

It is the responsibility of the public authorities to take advantage of these new opportunities. An Administration which is coherent with the times must accompany and promote the use of the new technologies.

It is therefore essential for the Administrations to be committed to the times and offer the advantages and options of the Information Society.

Experts and scientists have introduced the necessary instruments for this change, but their final implementation depends, to a large extent, on the promotion by the public authorities. It also depends on the trust and security generated in citizens and the services offered.

In Spain, the political decentralization process of the State has enabled the greater democratic proximity of the new regional and local powers, which is also translated into a greater proximity of the Administrations to citizens.

However, all of the barriers separating us have not yet been overcome, which is why the use of the information and communication technologies may help us to overcome some of the obstacles in our path towards a Public Administration that is close to citizens, aware of real problems and open to participation.

The European Objective of the Information Society

The promotion of the new technologies by the public authorities also represents a decisive factor for the development of our societies, as established in the conclusions of the European Council in Lisbon in 2000, which approved various commitments and initiatives to be carried out by European countries.

As you know, the community promotion of the e-

Europe initiative gives top priority to the development of electronic administration, within a programme which attempts to take advantage of all of the opportunities of the new technologies, as a determining factor for the economic future of Europe.

During these years of the e-Europe initiative, the sphere of action in electronic administration has grown significantly.

At the Manchester Summit in November 2005, which I was privileged to attend, a ministerial resolution with specific objectives for the development of electronic administration within the Union was approved.

Following this resolution, the i2010 Action Plan on electronic administration was approved, in which it is pointed out that the success of electronic administration is already clearly visible in several countries of the European Union. The annual saving that may be generated throughout the Union by its widespread implementation is estimated at 50 billion euros.

In this respect, the promotion of electronic administration by the European governments seeks an effect which goes beyond the direct advantages of the simplification of procedures and administrative facilities. It concerns the creation of a general framework which favours the extension and use of these technologies in society.

The main challenge for the implementation of the Information Society lies in building-up confidence, which eliminates or minimizes the risks associated with the use of the new technologies. This trust may be promoted through the use of these technologies by the State.

Progress of Electronic Administration in Spain

First of all, the Spanish Administration's promotion of technological modernization has been reflected in the growing investment in technical and economic resources.

We are also committed to administrative simplification, by doing away with the need to present documents, which has led to a saving of more than 7.5 million documents a year.

In addition, we are developing two key initiatives to facilitate the definitive implementation of electronic administration in our country: the electronic Identity Card and the 060 Network.

The electronic Identity Card, which began to be issued to citizens last year, offers a safe and dynamic personal identification instrument, providing confidence in online relations with the Administration and in e-commerce. At the same time, we have been increasing the number of Administration services that can be accessed online through electronic identification. More than 300 services are currently available.

The 060 Network consists of an infrastructure to access Administration services (through Integral Offices, a single telephone line or an Internet portal) in which citizens may carry out procedures of any Public Administration. It is no longer the citizen who has to worry about finding out which entity each procedure corresponds to; the Administrations agree to offer our services in a unified and integral manner.

Finally, we have given a definitive boost to the implementation of Electronic Administration in our country with the recent approval of the Law on Electronic Access of Citizens to Public Administrations, which recognises a new right of citizens: namely, that of dealing with the administrations online.

In accordance with this new legal regulation, all administrations must offer all of their processes and procedures through electronic channels by 2010.

Hence, an Administration that is open 24 hours, 365 days a year will be offered, in which all procedures and processes can be carried out from wherever each individual wishes.

This model has been achieved with a key instrument: cooperation between the different Administrations to better serve the same client, the same citizen.

We are convinced that this is the path to follow for European governments, because technology makes it possible for us to connect and makes our systems compatible so that a citizen can be identified in any country of the Union and may access Pan-European services.

This is how an Administration that uses innovation to achieve greater equity and offer services that are closer, more effective and more dynamic, is perceived.

In short, we are seeking an Administration that is increasingly simplified, to which an ambitious programme to reduce the legal burden on Spanish companies by 25 percent is added.

Hence, the commitment approved at the last European Council to increase the efficiency and competitiveness of our economy is reflected in our country.

Reducing the Digital Divide

The public sector must be placed in a position of leadership with respect to the development of the Information Society. It must also offer guarantees that this development is carried out, ensuring social and regional coherence, actively striving to ensure that its effects and benefits reach all citizens and all regions.

An objective of the policies of all of our governments must be the reduction of the so-called digital divide between rich and poor, between major cities and the rural world, or between different areas of the nation in the development of the Information Society.

In Spain, we are facing this commitment through material and legislative initiatives such as those described and through direct grants to municipalities so that they may all be incorporated into the electronic administration project, irrespective of their size or economic capacity.

I must stress the value of the public sector and the important role that the public administrations play in contributing to the use of the new technologies as instruments promoting the equality and equity of our citizens and our regions.

The ideas and reflections that you are going to share in this

Forum shall undoubtedly help us to outline this role. I encourage you in your work because I am convinced that between us all, we will find the best channels so that today's technological capacities help us to build a more solidarity, fairer and stronger society with possibilities of growth.

Thank you.