Mr. President of the European Court of Auditors,

Ladies and Gentlemen,

First of all I would like to congratulate the European Court of Auditors for this important seminar, an excellent opportunity to share our visions and practices on simplification. It is a pleasure for me to present you the Portuguese experience.

[1. Making life easier for citizens and businesses]

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At the European Council in 2000 which took place in Lisbon, EU institutions and Member States were urged to set out “a strategy to simplify the regulatory environment”.

There’s no need to demonstrate here that simplification has now become a priority task for many governments, both within and outside the EU.

It has even become a sort of competition, in which countries use their results to compare themselves with one another.

**Why is that happening?**

Why a task that only a few years ago seemed an odd thing to do is now seen as so important?

I’d like to emphasize three underlying reasons:

1) **The financial constraints** which invited us to free the Administration from useless tasks.
Simplification makes that possible: saving with one hand, so that the other can assure essential public services (like health and security, for example).

Second,

We need to provide a **better business climate** to our companies and attract foreign investors.

And third,

**Citizens are now more demanding** about the quality of public services.

«**This pressure is forcing the Public Administration to work more and more in accordance with users’ expectations and needs**» (Leitão Marques, 2005).

That’s what we are trying to do with our Better Regulation (Legislar Melhor) and Simplification programmes (SIMPLEX).

[2. 2005: the context]

In 2005, making life easier for citizens and businesses has become a priority goal for the Portuguese Government.
If you see strategy like «the step-by-step removal of constraints set against a vision» (Ivor Kenny, 2005), we could say that our first step was to overcome decades of lack of cooperation between public departments.

You could assume at first sight that because public departments work under the same umbrella they do cooperate and don’t compete with one another.

But you have to look closer.

Public Administration combines central, regional and local bodies with their own leaderships and autonomy;

And even in central administration we find vertical (silo-like) structures which isolate ministries and even departments within ministries.

This barriers to cooperation «made the Administration as a whole much more like a number of different companies that have little to do with one another and do not share knowledge, than like a single business» (M.M. Leitão Marques, 2005).
This explains why many countries needed to create **coordinating bodies** (at the centre of government) to develop horizontal projects.

And that’s why the Portuguese Government created the **Office of Public Services Reform (UCMA)** and, a couple of years later, the Office of the **Secretary of State of Administrative Modernisation (SEMA)**.

[3. Start with results]

It is true that if you don’t have a vision, it’s very difficult to have a starting point.

But “a vision without realisation it’s... a **hallucination**” (Lord Ballyedmon, *Achievers*, 2005), so we started by:

- Addressing critical situations that would have a significant impact on the country’s economy.

With the “**On-the-spot company**” project, we reduced the time required to set up a company from **55 days to less than an hour**. This project was implemented in 10
weeks with a strong teamwork of politics, managers and public servants and was **crucial to generate trust in change**.

- Another *quick win* was the **certified vehicle project** which merged two vehicle’s documents into a single one.

This project had been waiting to see daylight for **more than 10 years** not because of its complexity but only because two different departments could not agree on **how to split up the remaining revenue**...

[4. Simplex was born in 2006]

The first Simplex Programme was launched in 2006 with more than three hundred initiatives.

Managed to involve all the Government and central administration (proposals came from all ministries) and get a **strong public commitment by the Prime Minister** himself.
Systematic modernisation has begun and several important initiatives were implemented.

We made possible for businesses to set up a company completely on-line. You just need to access the “Business Portal” and use a digital certificate for authentication; on-line register of trade mark is now also available.

The new pre-filled electronic income tax declaration, the electronic applications for University or for booking hospital appointments, or the elimination of paper certificates proving non-existence of debts are some other examples.

Simplex’07 (235 initiatives) involved for the first time citizens and businesses in the programme’s preparation.

We’ve launched the citizen’s card project (a smart card with a digital certificate that replaced the old four paper cards for civil identification, taxes, health services and social security).
Important integrated services in a single spot for citizens became available for buying a new house or issuing your lost identity documents.

The "Simplified Company Information" project replaced four different paper-based report obligations (for Taxes, Justice, National Statistics Agency and Central Bank) in a single on-line declaration;

We also implemented the “Permanent Certificate” which enables to access to all the information about companies’ registries, on-line and permanently updated. Whenever this information is requested by public or private bodies, companies just have to give them the code for internet access. This service is also available in English.

Again in 2008, public participation has played an important role; the number of proposals has more than doubled and many have been included into the programme.

An innovator service to simulate, start and track on-line requests related to industrial activities was developed;
Obtaining a permit to develop tourism activities is also easier and at a single contact point;

For citizens, several new on-line services were implemented, making possible to start marriage proceedings on-line using the Citizen Card,

Or to registry your house and request a permanent certificate through internet.

But SIMPLEX ’08 included also initiatives to improve the quality of in-person services.

The one-stop service for elder population offers in one place several public services related with senior citizens;

And it was also last year that we approved an ambitious extension of our citizen’s shops – 32 new locations were decided (an investment over 35 million euros). Five of them have already opened and 20 more shops will be open until the end of the year.

**Simplex’09** was a true **co-production work**.
For the first time, public servants were challenged to give ideas to cut red tape with the “Simplex Idea Award”; To identify administrative burdens for businesses a forum of small and medium enterprises (SME’s) was organised to hear their concerns and proposals; And like in the two preceding years public consultation was also carried out.

More than 20 initiatives of Simplex’09 came from this co-production such as a simplified procedure to get exemption from health services taxes or an electronic agenda to remind taxpayers of its obligations deadlines.

Another priority of Simplex’09 is making access to health public services easier, a goal expressed in initiatives such as the “electronic medical prescription” or the “on-line access to personal vaccination record”.

[5. SIMPLEX main features]

What is the strategy behind these SIMPLEX programmes?
A) [Combining preventive and corrective simplification]

It is possible to control and eliminate administrative burdens, either before they are created, or later on, when their negative impacts become visible.

Past experiences showed us, however, that the programmes aimed at better regulation must cover all the stages of public policies.

Preventive simplification is usually achieved by conducting an ex-ante assessment of the impact of legislative and/or administrative measures. Tests that assess the impact of rules are the instruments which are most widely used.

For this purpose, we have, in Portugal, the «SIMPLEX test», under the direct control of the Presidency of the Council of Ministers.

A law whose economic, social or environmental impact has not been properly assessed is most likely a poor law. And a poor law often generates unnecessary burdens.
Corrective [ex-post] simplification is, in turn, designed to review laws that are already in force whenever there is a negative assessment of their impacts or usefulness. That is one of the main tasks of our office [Office of the Secretary of State of Administrative Modernisation].

SIMPLEX is not against regulation but to unnecessary regulation.

These two aspects (preventive and corrective simplification) have been combined under the name SIMPLEX: fortunately I would say... because without the first, the second would risk being an endless, a never-ending task!

B) [Combining e-Gov with simplification]

As OECD recently acknowledged SIMPLEX successfully «integrated administrative simplification and e-government into a comprehensive set of programmes»

It is redundant to declare here the value added of the latest information technologies.

But it is important to remind you that technology alone does not make the Administration more modern;

It is not enough to put technology in the front or back office;

We need to change the organisation, the people, and the procedures.

C) **[Combining structural initiatives with less momentous ones]**

OECD’s report underlines the need to focus the programme on strategic aspects.

It is something that we have been doing, focusing the programme on key events of citizens and businesses lives.
Nevertheless we believe that there are advantages in a two-sided approach that should not be overlooked; A strategy that (besides addressing critical issues) includes “stand-alone” initiatives will conquer new supporters to the work that remains to be done.

This strategy produced significant results in key areas and involved many public services and civil servants in the overall task of simplification – even the ones who were not engaged in critical areas or were unprepared for taking on more complex projects.

D) [A network strategy]

Our experience confirmed that the hardest thing for some departments is to work under a leadership that is outside their vertical structure. Apparently easy tasks becomes so hard to manage

Not because of their technical complexity, but much more because the teamwork they require.
Establishing a **network of focal points in all ministries** to facilitate the implementation of this transversal projects was crucial for their success and to the overall control of the programme. And this same network is also used for the preparation of each new programme.

We are in a court that is doing a remarkable work to increase **transparency and accountability** of the EU institutions. These fundamental democratic values are also present in SIMPLEX.

E) **[Transparency and accountability]**

All programmes are presented in a public session and published in our website [www.simplex.pt](http://www.simplex.pt) where information about its implementation is regularly disclosed.

To take notice of the contributions from end-users reduces the risks of bad laws. And a bad law fosters conflict and is inadequately enforced.
Since the second edition citizens and businesses were also involved in the programme’s preparation. Last year we created a mailing box for new ideas, a blog for comments on the draft of Simplex’09, and participated in businesses networks. **These are today’s bridges for participation!**

**[6. Outcomes of the simplification policy]**

**More than 80% of the initiatives** included in Simplex 2006, 2007 and 2008 have been successfully completed.

But for us to know whether results have been achieved or not,  

Whether or not we have increased our efficiency and improved the quality of our service,  

Whether or not our customers are more satisfied,  

**We must continuously assess.**

In OECD’s report (2008) reference is made to this need.

We had no tradition in our public administration of using performance indicators but since 2005 we have followed very closely the most strategic simplification measures.
Our assessment shows that several actions already produced encouraging results:

- **1, 4 million new citizen’s cards** were already issued and we are dealing with nearly 150,000 new requests every month.

- **More than 15,000 houses were sold** at one-stop-shop facilities since July 2007;

- **More than 100,000 babies were immediately registered at maternity hospitals** since 2007;

- **40,000 passengers/day** carrying the new electronic OCR passports benefit from automated control in airports;

- **More than 28,000 registration requests for vehicles** were submitted via the internet;

- **More than 20 companies are set up completely on-line every day** (nearly 20% in 2009 of the new companies).

- **More than 70,000 companies were established in less than 1 hour since July 2005**. Using the
SCM methodology, this represents savings of about 11 M€;

- Over a million permanent certificates were issued.
- 800,000 "Simplified Company Information" declarations were submitted on-line;
- About 1,500,000 electronic companies requests for publication in the official journal were treated without the use of paper;
- And more than 96% of all the registration requests related to patents and trademarks were submitted online.

7. [Simplex autárquico: extending SIMPLEX to the local government]

The experience acquired and the knowledge we have of some ambitious initiatives of several municipalities have inspired the extension of the programme to local government (one of OECD’s recommendations).
Portugal’s constitutional system grants autonomy to local authorities which do not necessarily have to agree with central government.

So, the first *Simplex for municipalities* was launched in July 2008 with 9 municipalities that agreed to get involved in the project, including the country’s two largest towns (Lisbon and Oporto), and a number of 64 initiatives.

We made very clear, since the beginning, that the programme was open to the participation of all other municipalities interested in adopting the proposed measures or in suggesting their own.

In less than a year, **39 Municipalities** joined us in the programme, now with more than 150 simplification initiatives, benefiting nearly 20% of Portuguese population.

[8. What others could learn from our experience]

Simplex is now a well-known and positive brand familiar to services and respected by citizens and businesses.
Of course, such popularity has also a downside for us: it makes citizens and businesses very impatient with all that is not yet SIMPLEX...

Simplification is the result of very hard work of many but it looks very simple once the job has been done. «Obstacles can look like mountains when you face them [but] when you overcome them, they shrink» (Ivor Kenny, Achievers, 2005).

That sounds pretty accurate in our line of work, doesn’t it?

If I was asked to review what we have learned in the whole process and what others could get from our experience I could name [1] putting together simplification and e-government, [2] political backing at the highest level, [3] creating a strong brand or [4] identifying critical points and quick wins to gain the trust of citizens and businesses.

However, introducing a networking strategy (latter extended to local government) is the one to which I would like to dedicate a couple of words more.
Important horizontal initiatives such as the *Citizen’s card*, the *on-the-spot house*, the *on-the-spot company*, or the *on-line company in business Portal* are good examples of strong co-operation and networking across ministries.

They broke silos and led to the creation of integrated services organized according to their user’s needs.

I consider, therefore, that this was one of the main SIMPLEX achievements.

My **point** is that administrative modernisation is not about knowing whether a Public Administration is more or less electronic;

Is not about whether there are more or less services available online;

It’s about finding out if departments broke their silos,

Finding out how close they are of a networking model,

Finding out what value added people and businesses get from it.
To make this possible the Public Administration organisation should be more transversal;

Should promote **single contact points and integrated services**, either in person or by telephone or internet;

None of this would be possible without information sharing, joint project management, and a networking culture.

«*The network paradigm is here to stay*» (Leitão Marques, 2005) and this is the change that will **increase trust of our citizens** in the public services and respect for their agents.

**Thank you very much** for your interest and for your willingness to take forward these hard tasks of simplification. We are all needed to succeed.