



4 August 2006

## ICA COUNTRY REPORT, FINLAND

### 1 Government Structure

#### 1.1 Central government

Finland is a **constitutional republic** whose highest organs are the **Parliament**, the **President of the Republic** and the **Government**. Sovereign power in Finland belongs to people, who are represented by 200 members of parliament elected every four years in the unicameral Parliament. In recent decades, the three biggest parties in parliament have consistently been the Social Democratic Party, the Centre Party, and the moderate conservative National Coalition Party. Multiparty coalition governments, the prevailing type, usually include two of the aforementioned parties.

The leader of the Government, the **Prime Minister**, normally comes from the party with the most seats in parliament. The Government must enjoy the confidence of parliament. The head of state in Finland is the **President of the Republic**. Under the Constitution of Finland executive power is vested in the President of the Republic and the Government. The President of the Republic is elected by direct popular vote and must be a native-born citizen of Finland. The term of office is six years.

The courts exercise judicial power, that is, they decide individual cases. The courts are independent: They are bound only by the law in force. The independence of the courts is guaranteed by the Constitution.

[www.parliament.fi](http://www.parliament.fi)

[www.president.fi/en](http://www.president.fi/en)

[www.government.fi](http://www.government.fi)

<http://www.oikeus.fi/8854.htm> (courts of law)

The Government is composed of the following ministries: the Prime Minister's Office, and ministries of Foreign Affairs, Justice, Interior, Defence, Finance, Education, Agriculture and Forestry, Transport and Communication, Trade and Industry, Social Affairs and Health, Employment, Environment. Ministries are very independent by constitution. The central administration of the state, which is subordinate to the ministries, includes central administrative agencies and national boards. The central administration of the state includes over ninety government bodies.

#### 1.2 Regional and local administration

Finland is divided into five **State Provinces**. The State Provincial Offices act as the joint regional authority for seven ministries in the following domains: social and health care, education and culture police administration, rescue services, traffic administration, competition and consumer affairs and judicial administration. The special duties of the State Provincial Offices include:

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preparedness for exceptional conditions and evaluation of basic services organized by municipalities.

<http://www.laaninhallitus.fi/lh/home.nsf/pages/indexeng>

Another part of state regional administration is Employment and Economic Development Centres (T&E Centres), which started their operations in the autumn 1997. The previous regional units of the Ministry of Trade and Industry, Ministry of Labour and the Ministry of Agriculture and Forestry were united into 15 centres. Each Centre offers advise and development services regarding employment and business issues.

[www.te-keskus.fi/web/ktmyht.nsf/FrameSetENG?OpenFrameSet](http://www.te-keskus.fi/web/ktmyht.nsf/FrameSetENG?OpenFrameSet)

**431 municipalities** enjoy considerable independence, safeguarded by constitution. Municipalities organise basic services: social welfare, health and education, etc. [www.localfinland.fi](http://www.localfinland.fi)

## 2 The strategic approach towards e-Government

The present government has four cross-ministerial policy programs. One of them is **Information Society policy program**, where the minister responsible for the program is the Prime Minister. He also chairs the information society council, which is drafting a new **National Information Society Strategy for Finland**. The aim of the strategy is to bring the Information Society issues into the debates before coming parliamentary elections in spring 2007. The strategy is going to be published at the end of September.

[http://www.tietoyhteiskuntaohjelma.fi/en\\_GB/](http://www.tietoyhteiskuntaohjelma.fi/en_GB/)

**Government decision-in-principle on Development of Government IT** (also called Government IT-strategy) was issued on 15<sup>th</sup> of June 2006. The decision-in-principle determines the strategic targets for development of Government IT, areas where government IT is harmonized and consolidated and names the development programs as well as prioritized projects within the development programs.

| Challenges   | Strategic targets  | Development programs  | Prioritized projects  |
|--|--|---|---|
| Changing customer needs and expectations<br>Transparent and trustworthy government<br>Globalization<br>EU-integration<br>Productivity<br>Aging population<br>Retiring personnel<br>Maintaining services in all parts of country<br>Maintaining services in all circumstances | <p style="text-align: center;"><b>Satisfied customers, flexible services</b></p> <p style="text-align: center;"><b>Efficient, secure, connected government</b></p> | Customer-centered e-services<br>Interoperability<br>Shared IT-systems<br>Harmonized basic IT- services<br>Information security and contingency planning | Identification of citizens and businesses<br>Common platform for e-services<br>Common IT- architecture<br>Common interfaces to national databases<br>Financial and human resource management systems<br>Document management and archives<br>Identification and rights management for civil servants<br>Common, shared, secure communication network<br>E-mail, calendar<br>Baseline and high-level IT- security<br>Contingency planning<br>Portfolio management |

Picture 1: Government decision-in-principle on Development of Government IT

### 3 Organizational Issues

**State IT- Management Unit** in the ministry of Finance (started April 2005) is recruiting new staff in order to start the projects, which are prioritized in the Government IT-strategy. Planning of State IT-services unit, which will offer cross-governmental IT-services, is starting in September.

**State IT-director** (CIO), Ms. Leena Honka, was appointed in March 2005. She is responsible for running the State IT-management unit and especially reforming the government IT- functions according to the new Government IT-strategy.

#### 3.1 Service centers for financial and personnel management services

**KIEKU –program**, which is run by the State Treasury Agency and steered by the Ministry of Finance, is working towards better productivity by gathering **financial and personnel management services** of state government to service centers. The services should be gathered from more than hundred agencies to five service centers by 2010. Four service centers have already started their operations in four different towns following government's regionalization guidelines.

#### 3.2 Shared IT-services

##### Recent shared services:

**VETUMA**, authentication and payments service, which all the agencies and municipalities can use. Two authentication methods can be used: Internet- banking authentication and National ID-card authentication. Next phase includes authentication using mobile phones.

##### Common systems:

Paperless purchase invoice management system **Rondo**

Travel management system **Persona Travel**

##### Other shared services:

**Suomi.fi**, citizen portal, a new version was launched this year

**Yrityssuomi.fi**, enterprise portal

**Lomake.fi** (electronic forms) is now part of the new **suomi.fi** portal

**Julha.fi**, a public directory of civil servants

**TYVI**, service to collect data from companies and other organizations to government

#### 3.3 Frame contracts

Government-wide frame contracts have been negotiated for workstations, data and telecommunications, mobile phones, consultancy services and IT-training.

#### 3.4 Changes in legislation

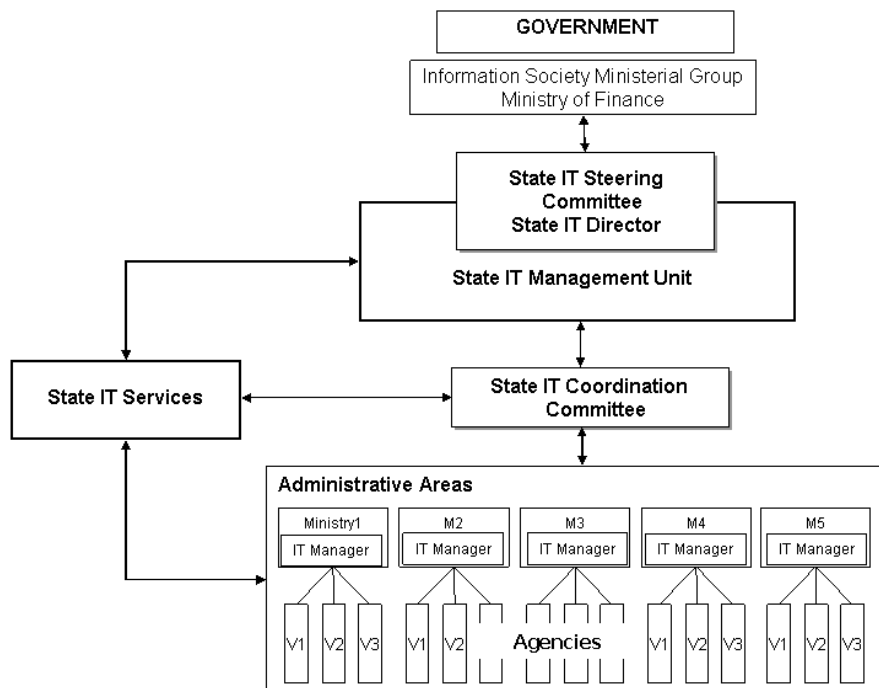
Two recent changes in legislation support the whole-of-government efforts in Finland.

The law on openness of government was revised in October. The new amendments state that government organizations must make sure that their IT-systems comply with the technical requirements for interoperability and must take part in a shared customer service system, if so is required in a statute.

The budget law was revised in June. The new amendments state that ministry of Finance can order government organizations to use the joint procurement contracts negotiated by state central procurement unit.

## 4 Operational issues

### 4.1 Governance Structures



Picture 2: State IT-governance Structure

**State IT Steering Committee** consists of four permanent state secretaries from different ministries and three IT or other directors from different agencies. This year the main task has been steering the IT-strategy work.

**State IT Coordination Committee** consists of IT-directors from all administrative branches (ministries). Participation in IT-strategy work has been the main focus for committee during past months. The steering of development programs will be the main task for the committee in coming years.

**State IT-Services Unit** does not exist, yet. The planning of unit's operation (arranging shared IT-services for whole-of-government) is just beginning and the unit is supposed to be up and running in 2007.

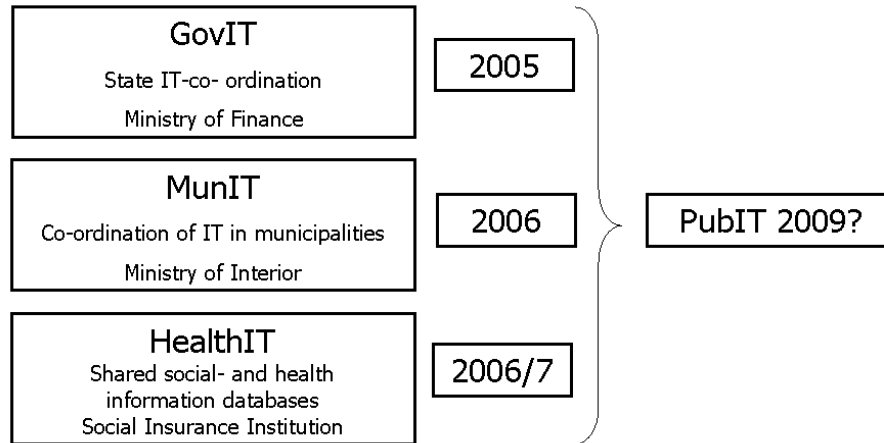
### 4.2 Co-operation with municipalities

A working group was appointed by Prime Minister's Office to find ways to coordinate the IT-functions in municipalities. Building a national database for social- and health information of citizens was suggested. All information, whether coming from public or private health-care, should be found from one source. In May 2006 Government decided that National Insurance Institution is going to be responsible for building and maintaining the shared health database. New legislation is needed to enable the change, especially since the National Insurance Institution is directly under Parliament's control.

For coordination of other IT-functions in municipalities a new unit is being founded in the ministry of Interior in September. Coordinating IT-functions within 431 independent municipalities is

not an easy task. However, many municipalities seem to be finding IT-coordination and shared systems a sensible way to advance in producing their services more efficiently.

Government Information Society Program has also set targets to merge all public, central IT-functions into one organization in future.



**Picture 3: Public IT-coordination**