Position Paper

UEAPME[1] position on the "*Digital Agenda for Europe:* Electronic identification, authentication and signatures in the European digital single market".

Electronic signatures are offering many valuable advantages for enterprises as concerns efficiency, costs and time reduction in their commercial relations as well as in their contacts with the public authorities.

So far the potential the use of e-signatures offers is not well developed and exploited and neither is it known by enterprises and citizens. Nevertheless, in some Member States e-signatures are already used for tax and VAT declarations, e-procurement etc.

In UEAPME's opinion it is necessary to offer many more possibilities for the use of e-signature and to increase trust in e-identification in order to obtain real efficiency gains.

Therefore it is more than justified that a framework at European level is created in which, as a first step, Member States will be obliged to offer a digital alternative next to the existing manual systems. This is not only necessary for relations between enterprises and the public authorities but also in commercial and private relations of the enterprises (B2B and B2C).

The possibilities and needs for e-services are tremendous, in order to allow enterprises and citizens to fulfill all administrative obligations in their relations with public authorities and amongst themselves.

Therefore, the creation of an interoperable framework for e-identifcation is a highly welcome initiative.

In our opinion, e-services and the e-interoperable framework should outline the following issues:

- Primary functions - in addition to e-signature, the digital solution should be able to support authentication as well. In fact, in some countries, two different PINs and software are used for that. Will this be the case for EU-wide solution?
- Principles - key principles such as security, interoperability, ease of use and stability. In some countries, the software platform delivered is often not operable / supported by all browsers or computers (not supported on Mac for instance) and it is also notoriously unstable. Unstable software will create barriers to adoption, so significant resources need to be invested on a continuous basis to support this initiative-additional optional services - ability to integrate with additional services such as the pre-paid cash service;
- Technology channels - in addition to ID card, some countries, use Mobile ID for the same purpose, web-based solutions and secure envelopes;

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[1] UEAPME subscribes to the European Commission's Register of Interest Representatives and to the related code of conduct as requested by the European Transparency Initiative. Our ID number is 55820581197-35.

- Benefits in potential services and "case studies" / best practices in Member States: the following services and areas are currently already supported in some countries by e-signature and e-authentication solutions: Public Services : Customs & Tax Board; Real Estate and Company Register; e-School, Health Care - Hospitals; Private Sector Services : Telecom, Utilities, Health Care, Insurance, online banking;
- All procedures for obtaining permits in all fields and at all levels (local, regional, national, European) should be made possible in a digital way;
- Further stimulation of e-invoicing;
- Linking e-identification with a mandates data bank and digital treatment to start-up a company and all further obligations in the enterprises lifecycle; connection with the one-stop-shops;
- Consultation of public administration databases through e-identification;
- Certified delivery of mail (cost and time reduction);
- Conclusion of distance contracts through e-identification (reduction of the possibility of fraud by online transactions);
- Conclusion of agreements in a digital way between enterprises with an unambiguous identification of the contract partners, to ensure that the contract is conclude by the legal representatives of the enterprises (linking e-identification with database on mandates).

The use of electronic services will thus increase and has to be stimulated by all stakeholders. We believe that it is not important to pinpoint the financial sector as a driver to expand the use in other sectors. It is important that e-services are **user friendly**, **EU-compatible** and **affordable**.

By allowing enterprises the possibility to fulfil certain administrative formalities at a distance through a e-identification secured platform, physical movements and unnecessary time and costs can be reduced to a minimum especially for issues that do not belong to the core business of the enterprise.

The Commission rightly states that to ensure an easy use, legal certainty and technical operability, including cross border, a sound legal environment that should meet the different needs and requirements of users and providers is needed.

The development of a European framework has in the **first place to avoid that the different Member States develop separately their own "hybrid" systems which are technically not compatible**. The digital cross border handling of administrative formalities and the mutual recognition by the Member States of the different e-identification systems is of utmost importance to foster cross border trade and to remove administrative barriers within the internal market. To enable this, the developed systems have to be technology neutral and technology overarching. This is the only way to ensure a maximum of interoperability between enterprises and the public authorities as well as between enterprises themselves.

A European overarching framework is consequently especially necessary in the following fields: archiving, authorisations and mandates, certified delivery of mail, official delivery address, transfers and declaration of databases (e.g. personal data), consultation of public databases, digital handling of administrative formalities, e-invoicing, fight against fraud in the field of distance selling through the introduction of an e-identification obligation of the consumer at the moment of concluding of the contract and at the moment of reception of the goods, tax declarations.

As already stressed the use of electronic identification (e-ID), authentication and signatures will increase. Although there will be a large increase in the use of electronic services, there will not always be a need for e-ID to complete a transaction in the future. It is important to find the right level of the transactions characteristics.

Although so far the uptake of electronic signatures in Europe is quite moderate, due to a lack of user-friendly signature solutions and limited EU cross-border interoperability, they have a great potential.

At the time being, the differences between Member States are considerable in terms of usage, knowledge and terminology. As a general observation, UEAPME would like to highlight the need to use common and clear-cut definitions in this rather abstract area. It is essential to avoid that one and the same expression is used to describe several different levels of security, depending on which Member States are involved.

Security aspects are also very important. There is a growing need of both educational and information efforts as inexperienced users are exposed to new types of risks. Target groups of these campaigns should be in the first place small enterprises, as they have the most to gain from e-services. Moreover, electronic signatures should be easy and safe to use. The fastest way to move forward in this matter would be mutual recognition, bilaterally or multilaterally.

Finally, UEAPME wonders what the relationship is between this initiative and the Belgian STORK initiative (http://www.eid-stork.eu/). The aim of the STORK project is to establish a European e-ID Interoperability Platform that will allow citizens to establish new e-relations across borders, just by presenting their national e-ID. Are these competing or co-ordinated efforts to create the same standard?

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