Audit Report

23/25

**Funds spent at the Ministry of Labour and Social Affairs
on the digitalisation of selected agendas**

The audit was included in the audit plan of the Supreme Audit Office (hereinafter the "SAO") for 2023 under No 23/25. The audit was headed and the Audit Report was drawn up by SAO Member Ing. Stanislav Koucký.

The **objective of the audit** was to verify whether the funds earmarked for the digitalisation of selected agendas at the Ministry of Labour and Social Affairs had been spent effectively, efficiently, economically and in accordance with applicable legal regulations.

Audited entities:

Ministry of Labour and Social Affairs (hereinafter the "MoLSA"),
Czech Social Security Administration, Prague (hereinafter also the "CSSA"),
Labour Office of the Czech Republic, Prague (hereinafter the "LO").

The audit was conducted with the audited entities between June 2023 and February 2024.

The audited period was from 2018 to 2023; where relevant, the preceding period and the period up to the end of the audit were also scrutinised.

The *SAO Board* at its 8th meeting held on 10 June 2024

approved by Resolution No 11/VIII/2024

the *Audit Report* as follows:

Funds for digitalisation at the Ministry of Labour and Social Affairs

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CZK 3.4 billion

Amount of funds spent by the MoLSA and the CSSA between 2018 and 2023 on the operation and development of the audited information systems for the benefits and pensions agendas

10 years

The length of time for which the MoLSA and the CSSA have been unsuccessfully trying to replace the information systems securing the benefits and pensions agendas

CZK 60 million

Amount of funds spent by the MoLSA and the CSSA with reduced efficiency on the digitalisation of the audited benefits and pensions agendas

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FINDINGS

For the audited agendas of the MoLSA and the CSSA, funds for the digitalisation of the public administration services they provide (old-age pension, widow's and widower's pension, housing allowance, parental allowance and humanitarian benefit) **were spent with reduced efficiency.**

CZK 650 million

The maximum amount of savings that the MoLSA would achieve in operating expenses if it successfully replaced the information systems that secure the benefits agenda according to the concluded contracts.

CZK 310 million

Invested by the MoLSA and the CSSA in the unsuccessful replacement of information systems securing the benefits and pensions agendas.

I. Summary and Evaluation

1.1 The SAO audited CZK 3.2 billion of state budget funds spent by the MoLSA and the Czech Social Security Administration on digitalisation (i.e., on building, operating and developing information systems supporting the performance of selected agendas of pensions, social security, state social assistance and assistance in material need) in the years 2018-2023. Of that, the MoLSA spent CZK 2.5 billion and the Czech Social Security Administration spent CZK 0.7 billion.

1.2 **The MoLSA spent funds on the digitalisation of the audited agendas in the amount of CZK 60.3 million (of which the MoLSA spent CZK 47.6 million and the Czech Social Security Administration CZK 12.7 million) with reduced efficiency. Digitalisation has not led to the fulfilment of the principles and objectives defined in the *Information Concept of the Czech Republic*. Although the applications supporting selected agendas of the MoLSA and the Czech Social Security Administration allow citizens to communicate electronically, citizens must continue to provide documents containing information already available to the state administration. Clerks must continue to print out data from the information systems or manually transcribe or copy data into them (see paragraph 4.58 and Annex 1).**

1.3 **Since 2014, the MoLSA has spent CZK 297 million on building a new IS in the field of the state employment policy. That system has never been put into operation (see paragraphs 4.9 to 4.14). Since 2014, the Czech Social Security Administration has spent CZK 12.7 million with reduced effectiveness and efficiency on the preparation of projects that were supposed to lead to the replacement of the IS for the processing of the pensions agenda. Even after ten years, it has not been able to initiate the IS replacement (see paragraphs 4.15-4.26).**

1.4 **The MoLSA administers operationally costly IS[1]. Even after ten years, the MoLSA has not completed the projects which were supposed to lead to a reduction in operating expenses from CZK 33 million to CZK 3 million per month. It thus did not ensure the functionality of the newly acquired IS and did not put them into operation. As a result, the MoLSA paid up to CZK 650 million more for the operation of information systems compared to the expected lower operating expenses of the newly acquired IS (see paragraphs 4.39-4.51).**

1.5 **In the period of 2018-2023, the Czech Social Security Administration spent funds of CZK 701.5 million on the operation and development of the existing IS for processing the pensions agenda. In some areas, this information system does not efficiently reduce the proportion of manual activities or speed up the implementation of the agenda, leads to a high workload of the staff in the processing of the pensions agenda and does not allow for efficient digitalisation (see paragraphs 4.15-4.26).**

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[1] "*OKpráce*" and "*OKnouze/OKslužby*".

1.6 **When acquiring the IS in the field of the state employment policy and the "*Jenda*" application[2], the MoLSA violated legal regulations concerning public procurement[3] (see paragraphs 4.27-4.37).**

1.7 **In operating and developing the IS, which is part of the critical infrastructure of the state, the Czech Social Security Administration did not always proceed in accordance with the Act on Cyber Security[4] (see paragraphs 4.52-4.55).**

II. Information on the Audited Area

2.1 Agendas within the competence of the Ministry of Labour and Social Affairs (hereinafter also the "Ministry") concern a large part of the population of the Czech Republic. More than 4.6 million employed people participate in pension insurance and social security, over 700 thousand self-employed[5] pay pension insurance advances, more than 2.3 million people receive old-age pensions, and more than 900 thousand social benefits are paid out each month.

2.2 The MoLSA is the central state administration authority for pensions, social care and other issues of the wage and social policy[6]. Pension insurance benefits are decided by the Czech Social Security Administration, which maintains a register of people registered for pension insurance[7]. The tasks in the field of employment, state social assistance, assistance in material need, care allowance and other areas are performed by the LO[8]. The MoLSA, the Czech Social Security Administration and the LO are organisational units of the state that fulfil the role of administrative authorities within their respective agendas.

2.3 All public administration agendas, the performance of which is ensured by the state for public administration clients, are kept in the "*basic register of agendas, public authorities, private data users and certain rights and responsibilities*" (hereinafter the "RPP"). The administrative authority performs individual services within the agenda, and then performs individual tasks within each service. The MoLSA reports all agendas carried out within the Ministry to the RPP[9].

2.4 The RPP contains a list of agendas for the performance of which services are provided by a specific public administration information system[10] (hereinafter the "ISVS"). Five

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[2] The "*Jenda*" application enables online submission and management of applications for parental allowance, child benefit and housing allowance.

[3] Act No 137/2006 Coll., on public contracts, was in force until 30 September 2016; Act No 134/2016 Coll., on public procurement, has been in force since 1 October 2016.

[4] Act No 181/2014 Coll., on cyber security and on amendments to related acts (the Act on Cyber Security).

[5] Self-employed persons.

[6] Section 9 of Act of the Czech National Council No 2/1969 Coll., on the establishment of ministries and other central state administration authorities of the Czech Republic.

[7] Section 5 of Act of the Czech National Council No 582/1991 Coll., on the organisation and provision of social security.

[8] Section 4 of Act No 73/2011 Coll., on the Labour Office of the Czech Republic and on amendments to related acts.

[9] Section 53 of Act No 111/2009 Coll., on basic registers.

[10] Annex 1 to Decree No 329/2020 Coll., on the list of items for the description of the public administration information system and the private law system for the use of data.

ISVS[11] listed in the RPP support the performance of agendas in the MoLSA. Four of them are administered by the MoLSA, one is administered by the Czech Social Security Administration. The LO does not spend any funds from its budget on their operation and development.

2.5 In 2018-2023, a total of CZK 16.5 billion was spent on the building, operation and development of information and communication technology (hereinafter "ICT") within the competence of the Ministry, of which CZK 10 billion was spent by the MoLSA, CZK 6.2 billion by the Czech Social Security Administration and CZK 0.3 billion by other organisations under the Ministry. An overview of the operating and capital expenditure of the MoLSA and the Czech Social Security Administration on ICT in the audited period is presented in Table 1.

Table 1: Operating and capital expenditure of the MoLSA and the CSSA on ICT in the period of 2018-2023

	Operating expenditure (in CZK million)	Capital expenditure (in CZK million)	Operating expenditure as a percentage of the total (in %)
MoLSA	7,952	2,021	79.7
CSSA	4,430	1,738	71.8
Other	246	90	73.3
Total	**12,628**	**3,849**	**76.6**

Source: *Integrated Information System of State Treasury*; table prepared by the SAO.

2.6 The Act on the Right to Digital Services states that service users have the right to use digital services and public authorities have a duty to provide digital services[12].

2.7 The *Information Concept of the Czech Republic* (hereinafter the "Information Concept") is a basic document which, according to Act No 365/2000 Coll., on public administration information systems and on amendments to certain other acts, sets out the objectives of the Czech Republic in the field of public administration information systems. The Information Concept is approved by the Government and is binding on all state authorities, authorities of territorial self-governing units and state legal entities, with the exception of intelligence services.[13]

2.8 Each public administration authority is obliged[14] to prepare and issue its own information concept, in which it sets out its long-term objectives in the area of management of the administered ISVS and defines the general principles of acquisition, architectural changes, creation, administration, operation, use and development of its ISVS.
On that basis, it prepares and issues operational documentation for individual ISVS.

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[11]   The MoLSA administers four IS: *Information System for Insurance and Non-Insurance Benefits*, *ARSYS – Filing Service, European Social Fund Information System 2014+* (ESF IS 2014+) and JIS PSV – *Unified Information System of Labour and Social Affairs*. The Czech Social Security Administration administers one IS: *Integrated Information System of the Czech Social Security Administration*.

[12]   Section 3(1) of Act No 12/2020 Coll., on the right to digital services and on amendments to certain acts.

[13]   Sections 1 and 3 of Act No 365/2000 Coll., on public administration information systems and on amendments to certain other acts.

[14]   Section 5a(2) of Act No 365/2000 Coll., on public administration information systems and on amendments to certain other acts.

2.9 Since 2014, both the MoLSA and the Czech Social Security Administration have continuously been planning and subsequently implementing major modernisation projects in their information concepts[15].

III. Scope of the Audit

3.1 In the audit, the SAO examined the economy, efficiency and effectiveness of the spending of the state budget funds in the area of digitalisation of selected agendas at the Ministry and whether these funds had been spent in accordance with applicable legal regulations. The audited period was from 2018 to 2023; where relevant, the preceding period and the period up to the end of the audit were also scrutinised.

3.2 The audit focused on funds spent on information systems (hereinafter "IS") supporting the performance of the agendas of *A1029 Social security*, *A1148 Assistance in material need* and *A1154 State social assistance*. Pension benefits are paid under A1029, state employment policy benefits are paid under A1148 and non-insurance benefits are paid under A1154.

3.3 In order to assess the level of digitalisation of selected agendas, an audit was carried out at the Czech Social Security Administration and at LO branches, focusing on the performance of services *S82 Old-age pensions*, *S84 Widow's and widower's pensions* under agenda A1029, *S44658 Humanitarian benefit* under agenda A1148, *S460 Housing allowance* and *S482 Parental allowance* under agenda A1154. The selected services cover a large number of clients, their operation is at an advanced stage of digitalisation, or they are newly introduced services and applications are often not processed within the statutory time limit.

3.4 During the audited period (2018-2023), the Ministry received a total of 5,216,207 applications for benefits under selected services (see Table 2):

Table 2: Number of client applications by benefit type (for the years 2018-2023)

Audited entity	Number of applications received	Type of benefit
CSSA	589,711	Old-age pension
CSSA	238,159	Widow's and widower's pensions
LO	1,412,970	Housing allowance
LO	667,765	Parental allowance
LO	2,307,602	Humanitarian benefit
Total	**5,216,207**	

Source: information found during the audit; table prepared by the SAO.

3.5 Two ISVS support the performance of the services referred to in paragraph 3.2: The *Unified Information System of Labour and Social Affairs*, which is administered, operated and used by the MoLSA and used by the LO for the performance of its tasks, and the *Integrated Information System of the Czech Social Security Administration* (hereinafter

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[15] The MoLSA has been planning, among other things, a new IS ZAM (information system in the field of the state employment policy) and IS DAV (information system for the administration of non-insurance benefits); the Czech Social Security Administration has been planning, among other things, the projects NSDA (*New System of Pension Agendas*; the MoLSA participated in its preparation by launching a public tender) and EDA (*Electronisation of Pension Agendas*), which was a follow-up to NSDA.

the "IIS"), which is administered, operated and used by the Czech Social Security Administration.

3.6 At the MoLSA, funds spent on the development of new agenda systems IS ZAM and IS DAV[16] and on the NSDA project[17] were audited. The SAO also audited funds spent in connection with the building, operation and development of the client zone (the "*Jenda*" application). At the same time, it assessed the expenditure on the achieved level of digitalisation of a selected sample of agendas or services in terms of efficiency – service *S44658 Humanitarian benefit*, service *S460 Housing allowance* and service *S482 Parental allowance*. For details, see Annex 1.

3.7 At the Czech Social Security Administration, funds spent in connection with the building, operation, development and use of application software supporting the services *S82 Old-age pensions* and *S84 Widow's and widower's pensions* were audited. Specifically, these were the SDD, EDZ, ZDD, VDD modules[18], the *Mainframe* system[19] and a framework agreement on the development and maintenance of the application software for the field of pension benefit II and III.

Funds spent on the NSDA and EDA projects were also audited[20].

3.8 The level of digitalisation was examined in terms of compliance with the Information Concept, which states that the aim of eGovernment is:

- to provide digital services to public administration **clients** in the simplest and most efficient way to facilitate both the achievement of their rights and entitlements and the fulfilment of their obligations and commitments in relation to public administration;
- to provide standardised and efficient electronic services, optimally shared by public administration, using reference/guaranteed data, to public administration **clerks and officers** in the exercise of their statutory competences.

3.9 In assessing the effectiveness, the SAO examined whether the use of funds in the performance of specified tasks had ensured an optimal level of achievement of the objectives set out in legislation and strategic documents of the Czech Republic and the Ministry.

3.10 In assessing the economy, the audit examined whether the tasks performed had been carried out with the least possible expenditure of funds, while maintaining the appropriate quality of the tasks performed.

3.11 The SAO's efficiency audit examined whether the maximum possible scope, quality and benefit of the tasks performed had been achieved in relation to the amount of funds

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[16] IS ZAM was to replace the existing system "*OKpráce*", providing the payment of benefits in the field of the state employment policy. IS DAV was to replace the existing system "*OKnouze/OKslužby*" for the payment of non-insurance social benefits.

[17] The *New System of Pension Agendas* project.

[18] The Czech Social Security Administration usually uses only the abbreviations listed; the full names of the modules are *Pension insurance benefits administration* (SDD), *Presentation of the status of procedures* (EDZ), *Overview of durations of procedures concerning pension benefits* (ZDD) and *Calculation of pension supplement* (VDD).

[19] *Mainframe* is the designation for highly specialised computing servers with a unique architecture.

[20] The *Electronisation of Pension Agendas* project. This is a project that replaces the non-implemented NSDA project.

spent on their performance. The SAO examined the achieved level of digitalisation in terms of the performance of the audited agendas, both in terms of benefits for the client of the public administration and in terms of internal processes securing the performance of the agenda. Based on the level of digitalisation, the SAO assessed the efficiency of the funds spent. If the level of digitalisation found only partially met the objective, the SAO assessed the efficiency of the funds spent as reduced.

3.12   The total audited volume of the Ministry's expenditures related to the digitalisation of selected agendas for the years 2018-2023 amounted to CZK 3.2 billion, of which the MoLSA spent CZK 2.5 billion and the Czech Social Security Administration CZK 0.7 billion.

Note: The legal regulations indicated in this Audit Report are applied in their wording valid and effective for the audited period. Funds are inclusive of value added tax (hereinafter "VAT") unless otherwise stated.

IV. Detailed Findings of the Audit

The Ministry did not complete key IT projects

Even after more than seven years since the conclusion of the contract, the MoLSA has not replaced the system in the area of payment of non-insurance benefits

4.1   In 2013, due to the need to ensure the payment of non-insurance social benefits, the MoLSA decided to carry out an above-the-threshold public contract for the replacement of the necessary information systems.

4.2   On 2 November 2016, the MoLSA concluded, with the winning tenderer[21], a *contract for the creation of the Unified Information System of Labour and Social Affairs – "IS Social Benefits" and the provision of related services* (hereinafter the "IS DAV Contract"). The price for deliveries and performance of services under the concluded contract was set at CZK 168 million.

4.3   The commencement of the provision of operational support services was scheduled to take place on 1 July 2018, according to the IS DAV Contract. There were problems with the acceptance of individual stages of the work during the implementation. On 16 November 2017, the MoLSA withdrew from the contract. Until the audit was completed, a court case was pending to determine the invalidity of the withdrawal of the MoLSA from the contract.

4.4   On 12 December 2017, the MoLSA launched an open procedure called *Unified Information System of Labour and Social Affairs – IS SOCIAL BENEFITS II* (again, the aim was to obtain an IS for the payment of non-insurance social benefits, the so-called IS DAV II). The estimated value of the public contract (hereinafter also the "PC") was set by the MoLSA at CZK 270 million exclusive of VAT.

4.5   The contracting authority stipulated in Article 6 of the tender documentation of the open procedure of 12 December 2017 that a tender containing an abnormally low tender price will be considered to be a tender with a price level that is more than 40% lower than the average price level of all the tenders under evaluation.

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[21]   Operator of the existing OKapplications.

4.6 Two tenderers submitted a tender. The tender price of tenderer No 1 was CZK 269 million exclusive of VAT. The tender price of tenderer No 2 was CZK 824 million exclusive of VAT. The tender price of tenderer no 1 was 99.55% of the estimated value of the PC. The tender price of tenderer no 2 was 305.18% of the estimated value of the PC. The tender price of tenderer no 1 thus became abnormally low.

4.7 The tender procedure had not been closed until the end of the SAO audit. It thus took more than 6 years. The cause was the inappropriate method of determining the abnormally low tender price and the subsequent decisions of the MoLSA, which were annulled by the Office for the Protection of Competition (hereinafter the "OPC") after a review.

4.8 At the time of the audit conclusion, the MoLSA was operating the "*OKnouze/OKslužby*" system with the OKapplication provider[22] to support the performance of its agendas.

Even nine years after the conclusion of the contract, the MoLSA has not replaced the employment system

4.9 In 2013, due to the need to ensure the payment of benefits in the field of the state employment policy, the MoLSA decided to carry out an above-the-threshold public contract for the replacement of the necessary information systems.

4.10 The operation of the new information system (IS ZAM) was to be ensured on the basis of a *contract for the creation of the Unified Information System of Labour and Social Affairs – "IS Employment" and the provision of related services* (hereinafter the "IS ZAM Contract"), concluded on 22 December 2015, after implementation and commissioning by 1 January 2017.
The price for deliveries and performance of services under the concluded contract was set at CZK 129 million.

4.11 Amendment 6 postponed the date of putting IS ZAM into routine operation to 1 July 2020. This was a postponement of 1,277 days (i.e., 3 years and 6 months). The total amount of funds spent by the MoLSA on the building of the IS ZAM in the period from 22 December 2015 to 9 December 2021[23] including hardware amounted to CZK 297 million. By Amendment 7 of 23 July 2020, the contract was terminated because all the funds for the IS ZAM under the concluded IS ZAM Contract (including the funds intended for operation) had already been exhausted.

4.12 In order to complete the implementation of the IS ZAM and its further operation, on 6 May 2021 the MoLSA launched a tender procedure for the PC *Completion, implementation, operation and further development of the IS ZAM*.

4.13 On 3 May 2022, the OPC ruled that the contracting authority had set the terms and conditions of the PC dated 6 May 2021 in violation of the law[24]. As a corrective measure, the OPC, pursuant to Section 263 of Act No 134/2016 Coll., on public procurement

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[22] OKapplication is the common name for the "*OKnouze/OKslužby*" and "*OKpráce*" systems. The MoLSA, through a provider, has been using these systems since 1993. They are part of the JIS PSV.

[23] Termination of invoicing between the MoLSA and the IS ZAM provider for the work performed. This was an invoice for milestone T4.8 – *Acceptance of implementation and documentation in the complete scope of the project including extra work as per Amendment 7 including all integrations with other systems*.

[24] Section 36(1) of Act No 134/2016 Coll., on public procurement.

(hereinafter the "Public Procurement Act"), cancelled the tender procedure for the PC *Completion, implementation, operation and further development of the IS ZAM*.

4.14 Although the MoLSA spent funds totalling CZK 297 million on the building of the IS ZAM, the system was not completed and put into routine operation.

From 2014 until the end of the SAO audit, the Czech Social Security Administration did not replace the information system supporting the payment of pensions

4.15 In 2014, the Czech Social Security Administration started preparatory work on the NSDA project. The aim was to modernise the support of the pension benefit agendas, to ensure efficient support of decision-making on pension benefits and their payments, to reduce the duration of procedures, to ensure reliable functionality of the support of pension agendas by using the possibilities of modern ICT and to better meet the needs of clients and clerks.

4.16 The initial analysis of the project in 2014 stated that the existing applications led to dependency on specific hardware, software and their products, that in case core staff left there was a risk of losing the know-how needed to manage applications in the COBOL language[25], that the existing system did not fit into the concept of the development of the information systems of the Ministry and was not interconnected with the surrounding systems and that the management of a fragmented and extensive application portfolio was increasingly complicated and costly, while the processing of non-standard cases was not covered by the application.

4.17 In 2016, the MoLSA took over the responsibility for this project. No contractor submitted a tender in the NSDA tender procedure launched by the MoLSA on 18 October 2017. In April 2018, the MoLSA decided to cancel the tender procedure. Thus, the NSDA was not created. Subsequently, the NSDA project was returned to the responsibility of the Czech Social Security Administration and terminated. For the documents drafted during the preparation of this project by an external contractor, the Czech Social Security Administration spent CZK 5.5 million. These documents were not used by the Czech Social Security Administration for the implementation of the NSDA project, but were partly used for the follow-up EDA project (see paragraphs 4.19-4.21). The SAO assesses the funds spent on these documents as having been spent with reduced effectiveness and efficiency.

4.18 In its information concept of January 2018, the Czech Social Security Administration stated that the current support for the area of decision-making on pension benefits required a fundamental modernisation and significant innovation of the existing solution, as without it the current system of support for pension agendas would not allow the fulfilment of the mission and vision of the development of the Czech Social Security Administration as an efficiently functioning public authority. Innovation is, among other things, a tool for eliminating the risk of operational collapse. The long-term slowing down of the modernisation of the application software due to the planned migration has made the software and processes obsolete; the state of the pension benefits sub-system needs to be changed.

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[25] COBOL is a programming language developed in the 1960s. Within the IIS, its special dialect is used.

4.19 In 2019, using the outputs of the completed NSDA project, the Czech Social Security Administration launched the EDA programme. The contract for the preparation of the EDA programme's core document and feasibility study was concluded by the Czech Social Security Administration on 14 September 2020. The main objective of the EDA was to gradually build a comprehensive electronic agenda that would provide efficient support in managing claim documents, making decisions about pension benefits, making payments and administering pension benefits.

4.20 In 2022, the EDA project formulated the objective of "*achieving further improvements in the service provided to clients, in particular reducing the duration of procedures and introducing self-service features for clients*". As a result of the intended changes, manual activities were to be eliminated or suppressed, staff capacities were to be saved, and durations of procedures were to be reduced by about 5 days, and for non-standard cases by about 15-20 days.

4.21 The first stage of the EDA programme was planned to be implemented over four years. The total planned cost of that stage was CZK 358 million. The EDA project had not started by the end of the audit. The Czech Social Security Administration spent a total of CZK 7.2 million to create its preparatory documentation. Due to technological progress, the preparatory documentation is becoming outdated. Until the completion of the SAO audit, it was not clear whether and how the outputs of the preparatory phase would be used. The SAO assessed the funds spent by the Czech Social Security Administration for the preparatory documentation of the EDA in the amount of CZK 7.2 million as spent with reduced effectiveness and efficiency.

4.22 In the information concept of January 2023, the Czech Social Security Administration itself evaluated the shortcomings of the programme support in the area of pension benefits very similarly to the analysis dated 2014: "*the architecture of the current system does not allow for further optimisation and expansion of digitalisation in the implementation of pension agendas.*" The IIS in its current state meets the requirements for the provision of routine tasks of the Czech Social Security Administration, as long as they are based on the achieved level of digitalisation and the built infrastructure. However, it does not allow to significantly reduce the share of manual activities and to speed up the performance of services.

4.23 The current IIS requires a disproportionate burden in terms of data preparation, transmission and checks. The processing of the pension agenda is very demanding for the staff. In some areas, the current system does not efficiently reduce manual activities or speed up the execution of the agenda. The Czech Social Security Administration is gradually losing the ability to maintain and develop the current system. The proprietary dialect of the COBOL programming language, in which the IIS is programmed, has been managed only by a limited and decreasing number of experts. To access some data records, procedures created in machine code are used, whereas the machine code depends on the operating system version and may not work in newer versions. The functionality of these procedures, which were created by former employees of the Czech Social Security Administration, is not properly documented and, without the help of programmers, it is very difficult and time-consuming to create new code that can process the stored pension data correctly and with a guarantee.

4.24 In the period of 2018-2023, the Czech Social Security Administration spent funds in the total amount of CZK 500.1 million on the acquisition and operation of hardware used for the needs of the IIS modules supporting the performance of pension agendas. For the development of the IIS modules supporting the performance of pension agendas, the CSSA spent funds in the total amount of CZK 76.2 million in the same period. In the same period, the CSSA also spent funds in the total amount of CZK 125.2 million on the performance of contracts for the provision of services supporting the operation and administration of the IIS modules supporting the performance of pension agendas.

4.25 Based on the audit findings, the SAO assesses the level of digitalisation achieved in the area of old-age and widow's and widower's pensions as "partial". The set processes are adapted to the information system and its limitations, instead of the IIS flexibly supporting optimal process settings for the provision of these services. The processing of the pension agenda is highly complex, fragmented and fundamentally dependent on paper documents and human work, which does not allow for efficient digitalisation without optimising service processes.

4.26 In Q1-Q3 2023, the Czech Social Security Administration exceeded the statutory time limit of 90 days[26] for processing 79% of old-age pension applications (see Chart 1). In the same period, the CSSA exceeded the statutory time limit of 90 days for processing applications for widow's and widower's pensions in more than 55% of cases (see Chart 2).

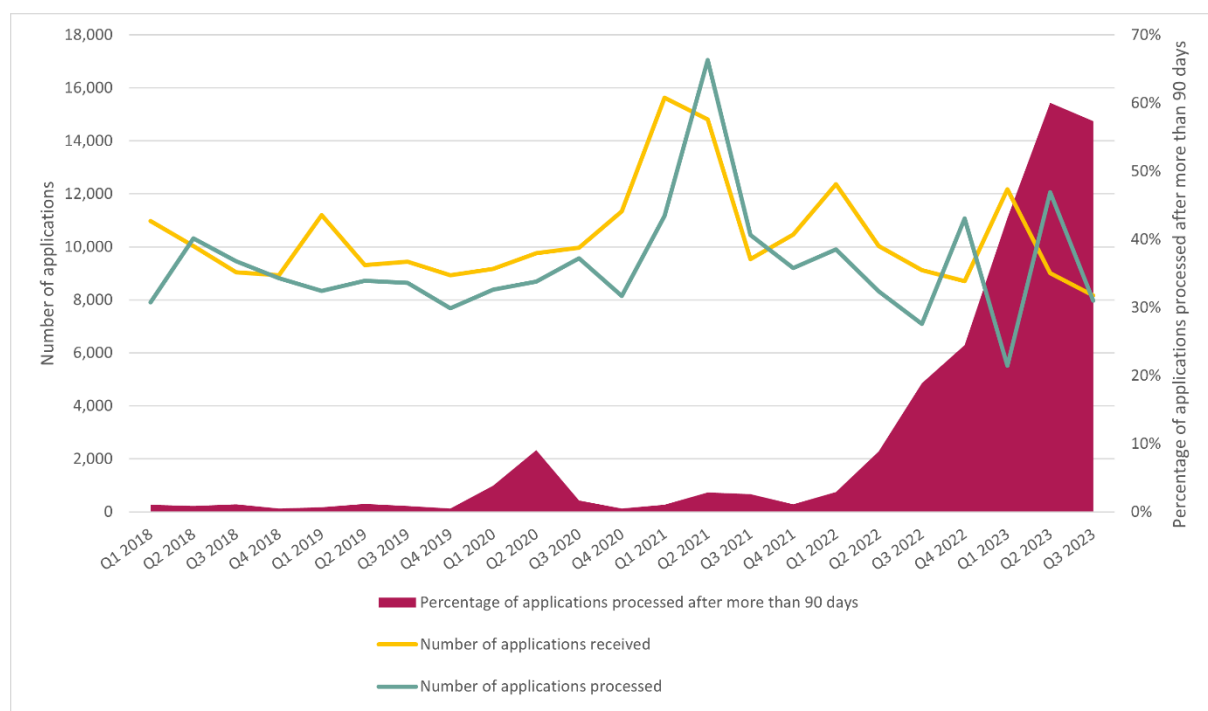**Chart 1: Summary of old-age pension applications received and processed**
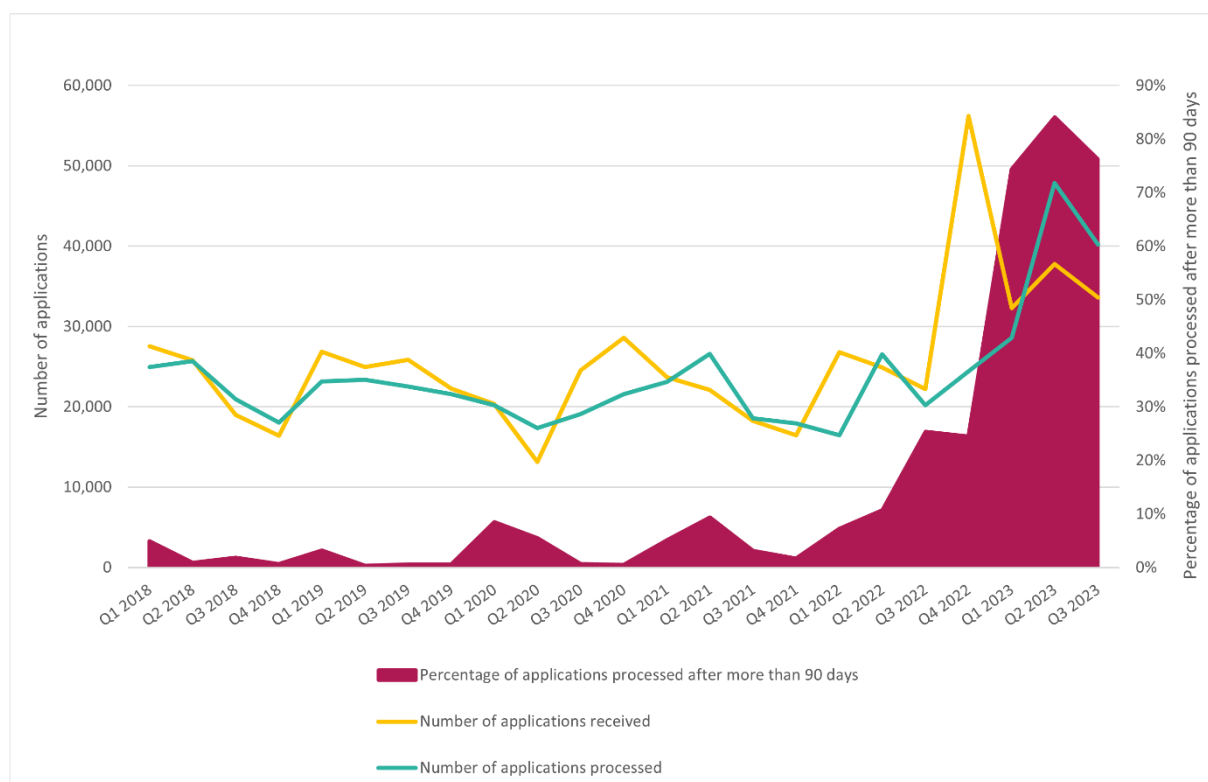
Source: CSSA data; chart prepared by the SAO.

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[26] Section 85a of Act of the Czech National Council No 582/1991 Coll., on the organisation and provision of social security.

Chart 2: Summary of widow's and widower's pension applications received and processed

Source: CSSA data; chart prepared by the SAO.

During the building of the IS, the MoLSA violated regulations concerning public procurement

The "*Jenda*" application was built by the MoLSA without a tender procedure

4.27 The Public Procurement Act imposes on contracting authorities the obligation to award PC in a tender procedure[27], and in relation to contractors the contracting authority must comply with, inter alia, the principle of equal treatment and the principle of non-discrimination[28].

4.28 As part of the *Client Zone* project, the MoLSA has built a new web application "*Jenda*", which allows clients to submit their applications for benefits online[29]. The aim is to simplify clients' communication with the authorities, to digitise up to 80% of selected types of applications, to reduce the number of necessary visits of the client to the LO branches, to enable electronic exchange of documents with the authority, to efficiently display online the status of submitted and pending applications, and to update and supplement related data and attachments with documents.

4.29 The "*Jenda*" application (enabling the submission of applications for selected benefits) was implemented by the MoLSA under the OKapplications operating contract for a total amount of CZK 93.5 million. The subject-matter of the OKapplications operating contract is the support of the operation and development of the OKapplications, not the creation

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[27] Section 2(3) of Act No 137/2006 Coll., on public contracts.
[28] Section 6(2) of Act No 137/2006 Coll., on public contracts.
[29] At the time the audit was completed, this covered the parental allowance, child benefit, housing allowance and one-off child allowance.

of new applications. The MoLSA thus paid for services which were contrary to the object and purpose of the contract.

4.30 The MoLSA did not build the "*Jenda*" web application through a tender procedure, thus violating the obligation laid down by law, and at the same time failing to comply with the principle of equal treatment and non-discrimination[30].

4.31 By making an expenditure which violated an obligation laid down by law, the MoLSA unlawfully used state budget funds in the total amount of CZK 93.5 million. The SAO assessed the use of funds in the above-mentioned amount as indicating a breach of the budgetary discipline[31].

In the implementation of the IS ZAM, the MoLSA influenced the selection of the most suitable tender in the tender procedure. It allowed a substantial change in the rights and obligations under the contract and failed to comply with the principle of equal treatment and non-discrimination.

4.32 On 22 December 2015, the MoLSA concluded a contract to build and ensure the operation and development of the IS ZAM. In the implementation of that public contract, the MoLSA was obliged to proceed in accordance with Act No 137/2006 Coll., on public contracts (hereinafter the "Act on Public Contracts"").[32]

4.33 The SAO stated in its Audit Report of Audit No 17/22 that the MoLSA exceeded the specified number of man-days in the development of the IS ZAM, the scope of which had had an impact on the determination of the economic advantage of the tenders of individual tenderers in the tender procedure.

4.34 The MoLSA continued to proceed in this way. During the period of performance of the IS ZAM Contract, i.e., from 22 December 2015 to 9 December 2021, the MoLSA, through the approved change requests, commissioned 14,183 man-days of development services, i.e., more than seven times the expected scope specified in the tender documentation.

4.35 The above-mentioned procedure led to the expansion of the subject-matter of the contract. The MoLSA thus allowed a substantial change of the rights and obligations arising from the IS ZAM Contract in violation of the Act on Public Contracts[33] and at the same time influenced the selection of the most suitable tender in the tender procedure of the PC on provision of IS ZAM. By doing so, the MoLSA violated the Act on Public Contracts and failed to comply with the principle of non-discrimination[34].

4.36 In the period from 22 December 2015 to 9 December 2021, the MoLSA spent funds in the total amount of CZK 297 million on the IS ZAM including hardware.

4.37 In violation of the Act on Public Contracts[32], the MoLSA made an expenditure which unlawfully used state budget funds in the amount of CZK 297 million[35]. The SAO assessed

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[30] Section 2(3) and Section 6(2) of Act No 137/2006 Coll., on public contracts.
[31] Section 3(e) and Section 44(1)(a) of Act No 218/2000 Coll., on budgetary rules and on amendments to certain related acts (the Budgetary Rules).
[32] Section 82(7)(a) and (c) and Section 6(1) of Act No 137/2006 Coll., on public contracts.
[33] Section 82(7)(a) and (c) of Act No 137/2006 Coll., on public contracts.
[34] Section 6(1) of Act No 137/2006 Coll., on public contracts.
[35] Section 3(e) of Act No 218/2000 Coll., on budgetary rules and on amendments to certain related acts (the Budgetary Rules).

the use of funds in the above-mentioned amount as indicating a breach of the budgetary discipline[36].

The MoLSA operates expensive IS

4.38 An organisational unit of the state is obliged to ensure that it performs the designated tasks in the most economical manner[37].

The operating expenses of the existing "*OKnouze/OKslužby*" system are higher than the operating expenses of the unimplemented IS DAV should have been

4.39 The price for the provision of selected services to support the operation and development of the new agenda system for ensuring the payment of non-insurance social benefits (IS DAV) was set at CZK 1.96 million per month for 24 months after the IS DAV was put into operation, in the contract concluded by the MoLSA with the winning tenderer on 2 November 2016 on the basis of an open tender procedure.

4.40 On 16 November 2017, the MoLSA withdrew from the IS DAV Contract. The IS DAV was therefore not put into operation as of the planned date of 1 July 2018.

4.41 On 22 October 2021, the MoLSA concluded a contract for the provision of operation and development support services with the existing OKapplications provider in a negotiation procedure without prior publication (hereinafter also "NPWPP").

4.42 For the provision of selected services to support the operation and development of the existing "*OKnouze/OKslužby*" system, which ensures the payment of non-insurance social benefits, the MoLSA pays CZK 21.98 million each month to the existing OKapplications provider.

4.43 The price for the services provided under the IS DAV Contract would have been lower by up to CZK 480 million in the case of putting the IS DAV into operation as planned from 1 July 2018 and performance until 1 July 2020, compared to the price of operation of the "*OKnouze/OKslužby*" system.

4.44 It is clear from the above that the MoLSA has been negligent in carrying out its designated tasks in the most economical manner[37].

The operating expenses of the existing "*OKpráce*" system are higher than the operating expenses of the unimplemented IS ZAM should have been

4.45 The price for the provision of selected services of support for the operation and development of the IS ZAM was set at CZK 1 million per month in the contract concluded on 22 December 2015 on the basis of an open tender procedure.

4.46 The new agenda system for ensuring the payment of benefits in the field of the state employment policy (IS ZAM) was not put into operation as of the planned date of 1 January 2017 or as of the date of 1 July 2020 as postponed by Amendment 6. On 9 December 2021, the last invoice for the acceptance of milestone T4.8[23] was issued to the provider of the IS ZAM. The contract was terminated by the MoLSA on the basis of

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[36] Section 44(1)(a) of Act No 218/2000 Coll., on budgetary rules and on amendments to certain related acts (the Budgetary Rules).

[37] Section 45(2) of Act No 218/2000 Coll., on budgetary rules and on amendments to certain related acts (the Budgetary Rules).

Amendment 7. Further performance of the contract would have exceeded the limit of the PC[38].

4.47 On 22 October 2021, the MoLSA concluded a contract for the provision of operation and development support services with the existing OKapplications provider in a NPWPP.

4.48 For the provision of selected services to support the operation and development of the existing "*OKpráce*" information system, which ensures the payment of benefits in the field of the state employment policy, the MoLSA pays CZK 11 million per month to the current provider.

4.49 The price for the services provided under the IS ZAM Contract would have been lower by up to CZK 170 million in case of the launch of the IS ZAM on the date postponed to 1 July 2020 and with the same date of completion. The performances were comparable.

4.50 It is clear from the above that the MoLSA has been negligent in carrying out its designated tasks in the most economical manner[37].

As a result of the non-completion of the IS ZAM and IS DAV, the MoLSA spent up to CZK 650 million uneconomically

4.51 As a result of the non-completion of the IS ZAM and IS DAV, the MoLSA spent up to CZK 650 million on operational support uneconomically. This amounts to more than 24% of the MoLSA's operating expenditure on the OKapplications in the audited period (see paragraph 4.58).

The operation and development of the IIS does not comply with the Act on Cyber Security

4.52 The IIS is an element of critical information infrastructure. Therefore, the relevant provisions of the Act on Cyber Security[39] also apply to it.

4.53 The Act on Cyber Security stipulates: "*The authorities and persons referred to in Section 3(c) to (f) shall be obliged to establish and implement security measures to the extent necessary to ensure the cyber security of the information system of the critical information infrastructure, the communication system of the critical information infrastructure, the information system of the core service and the significant information system, and to keep security documentation on them.*"[40]

4.54 In 14 out of 80 cases, the Czech Social Security Administration did not comply with the provisions of the Act on Cyber Security in developing the IIS, as it provided system development without any written assignments, formal records and approval of change requests[40].

4.55 As early as 2018, the information concept of the CSSA stated that the IIS modules, which provided support for the pension agenda, did not meet the requirements for the critical infrastructure of the state in the long term, and at the same time warned of the high level of risk of the operation of the existing system. In 2023, the CSSA stated that it did not have sufficient long-term capacity to maintain and develop these modules and that their maintenance and development were burdened with significant risks that were

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[38] Section 222 of Act No 137/2006 Coll., on public contracts.
[39] Act No 181/2014 Coll., on cyber security and on amendments to related acts (the Act on Cyber Security).
[40] Section 4(2) of Act No 181/2014 Coll., on cyber security and on amendments to related acts (the Act on Cyber Security).

likely to increase over time, and added that the current situation no longer met the requirements for the operation of the CSSA as a critical infrastructure of the state.

When building information systems, the MoLSA and the CSSA did not respect the principles of the Information Concept of the Czech Republic

4.56 The *Information Concept of the Czech Republic* establishes, among other things, the following principles for the acquisition, creation, administration and operation of the ISVS. The "*once only*" principle means that public administration authorities must ensure that citizens and businesses provide the same information to the whole public administration only once. The principle of "*internally – digital only*" states that from the receipt of a submission to the issuance and delivery of a decision or other output, communication between authorities and all internal operational processes of the public administration must be fully electronic, paperless – where this is economical and necessary for data sharing. The principle of "*consolidation and interconnection of public administration information systems*" lays down the need for efficient building of IS and linking of ISVS and data needed for the execution of various agendas. The goal of "*proactive service provision*" aims to minimise the number of interactions of clients with the public administration.

Wherever possible and appropriate, the public administration should provide services proactively or automatically. Processes should be initiated by the public administration, whether automatically (e.g., when a document expires) or by the activity of a clerk.

4.57 The SAO assessed the digitalisation of the services of humanitarian benefit, parental allowance and housing allowance as partial and the funds spent by the MoLSA on that digitalisation as spent with reduced efficiency. This covers CZK 24.3 million spent on humanitarian benefits, CZK 9.5 million spent on the parental allowance and CZK 13.7 million spent on the housing allowance.

4.58 The funds spent by the Ministry in 2018-2023 in connection with the operation of the OKapplications and IIS modules to support pension agendas were estimated by the SAO at more than CZK 3.4 billion (the MoLSA spent CZK 2.7 billion and the CSSA CZK 0.7 billion), while the above-mentioned objectives and principles of the Information Concept had not been met.

This means that citizens have to repeatedly document data already held by the state (see Example 4) and clerks have to manually transcribe and print information already contained in the information systems (see Examples 1, 2 and 3). A detailed list of cases identified is provided in Annex 1 to this Audit Report.

Example 1:

Before the first payment of each old-age pension and widow's and widower's pension, the clerk must first print out a number of details from the IIS, including the applicant's birth certificate number and the amount of pension awarded, and then manually copy these details back into the system. This is a consequence of the failure to interconnect the individual parts of the IIS.

Example 2:

When applying for a housing allowance online, the citizen attaches all necessary documents digitally. The clerk must then manually copy them from the application in which the citizen has applied for the allowance to the application in which the application is processed.

Example 3:

When processing applications for parental allowance, the LO employees must go to another information system and manually search, check and, if necessary, correct the personal data of applicants for parental allowance. This is a consequence of the failure to link the two information systems.

Example 4:

The recipient of the widow's or widower's pension loses his or her entitlement to it on remarriage. The information about marriage is contained in the public administration IS and can be retrieved automatically by the IIS.

However, the Czech Social Security Administration has not built the necessary functionality in the IIS and relies on the statutory obligation of the pension recipient to report his/her remarriage within eight days. Pension recipients are informed of this obligation when they apply for the pension and undertake to comply with it by signing the relevant declaration.

List of terms and abbreviations

CR	Czech Republic
CSSA	Czech Social Security Administration
VAT	value added tax
EDA	*Electronisation of Pension Agendas* (Czech acronym)
ICT	information and communication technology
IIS	*Integrated Information System of the Czech Social Security Administration*
Information concept	individual information concept
Information Concept	*Information Concept of the Czech Republic*
IS	information system(s)
IS DAV	information system for the administration of non-insurance benefits (Czech acronym)
ISVS	Public Administration Information System (Czech acronym)
IS ZAM	information system for the area of employment (Czech acronym)
IT	information technology
JIS PSV	*Unified Information System of Labour and Social Affairs* (Czech acronym)
NPWPP	negotiation procedure without prior publication
MoLSA	Ministry of Labour and Social Affairs
SAO	Supreme Audit Office
NSDA	*New System of Pension Agendas* project (Czech acronym)
Self-employed	self-employed person
RPP	basic register of agendas, public authorities, private data users and certain rights and responsibilities (the so-called Register of Rights and Responsibilities) (Czech acronym)
Ministry	the MoLSA
IS DAV Contract	*contract for the creation of the Unified Information System of Labour and Social Affairs – "IS Social Benefits" and the provision of related services* dated 2 November 2016 (Czech acronym)
IS ZAM Contract	*contract for the creation of the Unified Information System of Labour and Social Affairs – "IS Employment" and the provision of related services* dated 22 December 2015 (Czech acronym)
OPC	Office for the Protection of Competition
LO	Labour Office of the Czech Republic
PC	public contract
ZDD	IIS module for pension benefit applications
Act on Pension Savings	Act No 426/2011 Coll., on pension savings
Act on the Right to Digital Services	Act No 12/2020 Coll., on the right to digital services and on amendments to certain acts
Act on Public Contracts	Act No 137/2006 Coll., on public contracts
Public Procurement Act	Act No 134/2016 Coll., on public procurement

Annex 1

Agendas and services selected for audit

Agenda number and name	Service number and name	Number of acts	Audited entity	Date of full digitalisation according to the Act on the Right to Digital Services	Self-service channel available?	IS supporting the execution of the agenda	Detected rate of data digitalisation**	Evaluation of digitalisation in terms of efficiency***
A1029 Social security	S82 Old-age pensions*	10	CSSA	1 December 2023	YES (from 1 December 2023)	IIS	Partial	Reduced efficiency
A1029 Social security	S84 Widow's and widower's pensions*	8	CSSA	1 December 2023	YES (from 1 December 2023)	IIS	Partial	Reduced efficiency
A1154 State social assistance	S460 Housing allowance	8	MoLSA and LO	1 January 2025	YES	*OKcentrum* (IS DAV planned)	Partial	Reduced efficiency
A1154 State social assistance	S482 Parental allowance	8	MoLSA and LO	1 January 2025	YES	*OKcentrum* (IS DAV planned)	Partial	Reduced efficiency
A1148 Assistance in material need	S44658 Humanitarian benefit	6	MoLSA and LO	The service is listed in the RPP without the date of completion of the digitalisation	YES	*OKnouze/OKslužby* (IS ZAM planned)	Partial	Reduced efficiency

Source: RPP, replies of the MoLSA and the CSSA.
* Only those the assessment base of which comes exclusively from the Czech Republic.
** Partial – means the import of digitised data with the necessity of manual operation, e.g., data sent in an email attachment with the possibility to save the entire attachment and then process it automatically.
*** See the scale of evaluation of digitalisation in terms of efficiency.

The link to the full overview of the status of digitalisation of the MoLSA agendas as of 1 February 2024 (in terms of availability of the digital channel for communication between the public administration client and the authority, or the authority and the client) is available in the dataset here: https://data.nku.cz/download/vystupy-z-kontrol/ka-23-25/prehled-digitalizace-agend-resortu-MPSV-k-2024-02-01.csv.

Evaluation of digitalisation in terms of efficiency

The SAO established the following criteria for evaluating the efficiency of the digitalisation of the selected sample[41]:

- **Efficient** – all data related to a given public administration service and the tasks and activities performed therein is processed only digitally. All processes (100%) are set up to allow paperless (fully electronic) processing.
There is no change in the status of the digitalisation from "full" to "partial" or from "full" to "none" or from "partial" to "none" in the course of the data processing.
- **Reduced efficiency** – less than 100% of all data processing is carried out digitally in relation to a given public administration service and the tasks and processes performed therein. At the same time, the processes are set up to enable paperless (fully electronic) processing for at least 50% of all data processed.
There is a change in the status of the digitalisation from "full" to "partial", from "full" to "none" or from "partial" to "none" in the course of the data processing.
- **Inefficient** – less than 50% of all data processing is carried out digitally in relation to a given public administration service and the tasks and activities performed therein.
There is a change in the status of the digitalisation from "full" to "partial", from "full" to "none" or from "partial" to "none" in the course of the data processing.

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[41] These criteria were developed by the SAO when preparing for the audit. The individual audited entities were familiarised with the criteria and their application.

Detailed list of detected cases of non-compliance with the principles and objectives of the Information Concept of the Czech Republic in the audited agendas

Service	Act or functional unit supporting multiple acts	Findings	P2	P12	P16	Objective 6.2	Objective 1.9
Old-age pension	Submission of an application	Printing of digitised data from the IIS stored in the ZDD module to a paper batch file.		X			
	Issuance of the underlying decision	Failure to link the PECE module with the IIS, the *Core records* module (register of those registered).				X	
	Request to prove the relevant facts	Copying data from the ZDD module to the MS WORD template, necessary for the preparation of the request to prove the relevant facts.				X	
	Proof of the relevant facts	The obligation for the recipient of the widow's and widower's pension to provide proof of remarriage creates the risk of the widow's/widower's pension being received illegally, which creates the risk of overpayments of the widow's and widower's pensions and leads to a reduction in the comfort of the recipients of the widow's and widower's pensions.	X	X		X	X
	Issuance of an order suspending proceedings, issuance of an order staying proceedings	Manual transcription of data from the UI 3001 module into the MS WORD template.				X	
	Issuance of a pension award decision	Transcription of data required for manual calculation of pension, manual transcription of the pension amount and manual copying of applicant details for those applicants who were participants in pension savings under the Act on Pension Savings.				X	
	Issuance of a pension award decision	Transcription of data between the different parts of the IIS necessary to ensure the issuance of pension award decisions.		X		X	
	Payment of advances on benefits	Printing of digitised data on advances on benefits from the IIS completed in the UI3001 module to the paper batch file.		X		X	
	Issuance of decisions rejecting a pension application	Transcription of data between the different parts of the IIS necessary to ensure the issuance of decisions rejecting a pension application.		X		X	
	Pension payment	Transcription of data between the different parts of the IIS necessary to ensure the calculation of the supplementary pension payment for periods with two or more legislative changes. Printing of printouts for the accounting office and their delivery in paper form.		X		X	
	Payment of advances on benefits, issuance of pension award decisions, payment of pension	Transcription of data from the IIS from the UI 3001 module to a paper "calculation insert" and its subsequent verbatim transcription back to the IIS into the DCP module.		X		X	
	Issuance of decisions rejecting a pension application, issuance of pension award decisions, payment of pension	Manual storage of documents and manual transcription of data required for sending documents by data mailbox.				X	
	Request to prove the relevant facts, issuance of an order suspending proceedings, issuance of an order staying proceedings	Manual storage of documents and manual transcription of data required for sending documents by data mailbox.				X	

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Service	Act or functional unit supporting multiple acts	Findings	P2	P12	P16	Objective 6.2	Objective 1.9
Widow's and widower's pensions	Submission of an application	Printing of digitised data from the IIS stored in the ZDD module to a paper batch file. Transcription of data between the different parts of the IIS necessary for the creation of an application for widow's and widower's pension		X	X		
	Issuance of the underlying decision	Failure to link the PECE module with the IIS, the *Core records* module (register of those registered).				X	
	Request to prove the relevant facts	Copying data from the ZDD module to the MS WORD template, necessary for the preparation of the request to prove the relevant facts.				X	
	Issuance of a pension award decision	Transcription of data between the different parts of the IIS necessary to ensure the issuance of pension award decisions.		X		X	
	Payment of advances on benefits	Printing of digitised data on advances on benefits from the IIS completed in the UI3001 module to the paper batch file.		X		X	
	Issuance of decisions rejecting a pension application	Transcription of data between the different parts of the IIS necessary to ensure the issuance of decisions rejecting a pension application.		X		X	
	Pension payment	Printing of printouts for the accounting office and their delivery in paper form.		X		X	
	Payment of advances on benefits, issuance of pension award decisions, payment of pension	Transcription of data from the IIS from the UI 3001 module to a paper "calculation insert" and its subsequent verbatim transcription back to the IIS into the DCP module.		X		X	
	Issuance of decisions rejecting a pension application, issuance of pension award decisions, payment of pension	Manual storage of documents and manual transcription of data required for sending documents by data mailbox.				X	
Housing allowance	Back-end services	Requirement to submit identity cards and birth certificates for housing allowance applications and to submit the same documents for the same period for both the housing allowance and another benefit (child benefit).	X				X
Parental allowance	Request to prove the relevant facts	"*OKcentrum*" does not support the principle of the Information Concept P12 "*internally – digital only*".		X			
	Back-end services	Submission of identity cards and birth certificates for children up to 15 years of age, manual completion of data according to the ISEO/AISEO ((agenda) information system of the population register) and manual completion of the data mailbox identifier in the IS "*OKcentrum*".		X			X
Humanitarian benefit	Request to prove the relevant facts	The principle of the Information Concept P12 "*internally – digital only*" was not fulfilled.		X			
	Back-end services	The principle of the Information Concept P12 "*internally – digital only*" was not fulfilled in three out of a total of five audited cases.		X			

Source: audit findings; table prepared by the SAO.

Note: The principles and objectives of the Information Concept to which the findings relate are marked with an "X" in the relevant columns.

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Selected objectives and principles of the Information Concept:

- **Principle P2** "*once only*" provides that "*public administration authorities must ensure that citizens and businesses provide the same information to the whole public administration only once. Public administration authorities shall reuse that shared data in the exercise of their competences, while complying with data protection rules.*"

- **Principle P12** "*internally – digital only*" provides that "*all communication within and between authorities must be digital only. From the receipt of a submission to the issuance and delivery of a decision or other output, all internal public administration operational processes must be fully electronic and paperless – unless it is uneconomical to implement them in this form (3E).*"

- **Principle P16** "*consolidation and interconnection of public administration information systems*" provides that "*it is necessary to build ISVS efficiently and to try to use to the maximum extent already developed and shared process-wise and functionally coherent components for addressing similar requirements across agendas and offices. It is equally necessary to ensure that ISVS and their data are linked where they are needed for the execution of agendas.*"

- **Objective 1.9** "*proactive service provision*" states that "*the aim is to minimise the number of interactions clients need to have with the public administration in all life situations by proactively providing services or handling duties automatically 'for clients' wherever possible and appropriate.*"

- **Objective 6.2** "*internal digitalisation of authorities*" states: "*Digitalisation of internal activities and documents of authorities – the end of document routing slips and application and claim forms. An integral part of optimising processes and services is their simplification, electronisation and automation, unification and sharing. This means electronisation and sharing of internal activities and documents of the authorities wherever it is feasible and cost-effective in terms of the number and complexity of the activities.*"