

Zero Licensing Initiative

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Organisation: Agency for the Administrative Modernisation

Country: Portugal

Level of government: Central government

Sector: General public services

Type: Digital, Public Service

Launched in: 2013

Link to the innovation's website

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Description

The Zero Licensing initiative aims to make the exercise of commercial economics activities more simple, fast, transparent and cheaper, helping to increase the competitiveness of the municipalities, the country and the European Union.

Under the Zero Licensing initiative:

- A new and very simplified regime for setting up and modifying the establishment of commercial activities was approved on.
- Licenses were eliminated and substituted by a simple prior notification to the authorities.
- The notification to the authorities is done electronically in a Point of Single Contact (PSC), totally dematerialising the licensing process, therefore reducing the administrative burden (paperwork) and the economic costs.
- The State reduces, therefore, the pre-control mechanisms, increasing the responsibility and accountability of the economic agents, and reinforces the post-control mechanisms, through reinforced inspections and sanctions for noncompliance.

Why the innovation was developed

The traditional licensing process causes many constraints to businesses. The process and the time response of the authorities to entrepreneurs is long and uncertain, with entrepreneurs not having an idea about the amount of time needed to open a business. This adds risk to the business, blocking the competitiveness and the recovery of the investment. The initiative aims for a complete paradigm shift, totally changing the licensing process, making it simpler, faster and more transparent. The elimination of licenses for the posting of advertising messages in certain situations represent less costs for businesses.

Objectives

Improve effectiveness, Improve efficiency, Improve service quality, Support economic growth

- Eliminate bureaucracy and enable companies to focus on their core activity: doing business.
- Increase Portugal's competitiveness in the single market.
- Create room for the rationalization of ICT platforms, reducing the need for all of the authorities to have their own ICT platforms, therefore contributing as well towards a better environment and use of resources.

Main beneficiaries

Businesses, Government bodies, Government staff

Both business people and civil servants due to the reduction of times and costs needed for traditional licencing processes.

Results

Efficiency

It's difficult to measure the improved efficiency because the initiative is in the testing phase (testing the electronic platform). However:

- It reduces the travel costs because the entrepreneur can do the whole process online.
- The entrepreneurs no longer have to wait for the authorization of the authorities to open the establishment. They can open the establishment right after the submission of the online form and the payment of the fees.

Service quality

Accessibility:

Under the Zero Licensing initiative, the entrepreneur only has to:

- Access the PSC.
- Fill a single electronic form identifying the establishment, its operating hours, the sunblind, the esplanade, the flowerpots, etc.
- Pay the associated fees online.
- Submit the form.

Development

Design

The idea of the initiative came from the policy planning staff, namely the cabinet of the Secretary of State.

Testing

The initiative is in the testing phase. For that, we planned a piloting phase with 38 municipalities to test the PSC platform.

Lessons Learned

Lessons Learned

It's too early for a comprehensive summary about the lessons learned because the initiative is in the Point of Single Contact testing phase. However, we can share some of the difficulties we have had:

- It aims for a complete shift of paradigm and a culture change, totally modifying the licensing process. That shift of paradigm and culture change makes both the testing phase and implementation of the initiative a slow process.
 - It was very difficult to make a single form to be used in all of the municipalities (before the initiative, every municipality had their own form).
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Conditions for success

For the success of the initiative, it is necessary:

- To have the involvement of the municipalities in the design of the innovation. They need to feel that they are part of the process and part of the culture change. That's very important for the motivation of the municipalities.
 - It's very important to plan the testing phases of the initiative, namely the Point of Single Contact platform.
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Other information

We recommend the involvement of civil society and all the municipalities in the design of the initiative. We also recommend the replication of the initiative to all economic sectors. For that, we recommend to study all of the specific characteristics of the economic sectors for which the initiative is going to be replicated, and adapt the initiative according to those specific characteristics.