

## **5<sup>th</sup> IT STAR Conference on Electronic Business**

**Ladies and gentlemen**

**I am delighted and honoured to welcome you here in Zagreb, on behalf of Croatian IT Association (CITA), with occasion of 5th IT STAR Conference, this year on electronic business in the region.**

**Croatian IT Association is the umbrella organisation of Croatian ICT experts founded in 1975, ever since it has been acting continuously with the goal to create the conditions for faster and more efficient introduction and application of ICT.**

**This year Croatian IT Association is celebrating the 35th anniversary of its continuous activity. There are a few occasional manifestations and conferences organised on the level of the umbrella organisation. One of the more significant is this conference, where we would like to exchange experiences in achieved level of application and discuss problems referring to the introduction of e- business in the countries of Central and Eastern Europe.**

**The participation of the representatives of the Croatian IT Association at the Second Regional Conference IT STAR 2002 in Slovenia, the acceptance in CEPIS and IFIP, and the organisation of ITSTAR meeting in Croatia in 2003 represent the beginning of Croatian IT Association being included into the work of international ICT organisations, which has significantly contributed**

**to transfer of new skills in Croatia, the exchange of experiences, and have made Croatia more prepared for the transition into information society.**

**Croatian IT Association participates in the work of international ICT associations of informatics experts; Regional - ITSTAR, European - Council of European Professional Informatics Societies - CEPIS, Worldwide - International Federation for Information Processing – IFIP, and participates in the programs of the European Union.**

**Our Association has got the licence for carrying out the certification users of personal computer according to ECDL standards and European Certification of Informatics Professional – EUCIP.**

**The government of the Republic of Croatia has accepted ECDL as a standard in schools and state administration. So far more than 20.000 teachers in primary and secondary schools, and more than 2000 employees in state administration have got this certificate to work on such jobs.**

**In 2006 there was ECDL Forum held in Dubrovnik with the representatives of 140 countries that apply ECDL, giving full credit to our IT Association for successful application of ECDL in Croatia.**

**Croatian IT Association has been working successfully on ECDL program since 2003 in Croatia. More than 50.000 employees, citizens, unemployed, persons with special needs and others have been working so far within the scope of some of the programs, with 40.000 of them having certificates to do so.**

**There are more than 200 legal entities active in Croatian IT Association, and a few thousand of individuals.**

**There are several organisations, experts and users of ICT active within the scope of Association aiming to introduce and apply ICT technology more quickly and more effectively, and to open the opportunities of the exchange of skills and experiences, as :**

**Open computer systems and Internet, Oracle technologies, Young informaticians, Linux technologies, GIS technologies and SAP solutions.**

**Conference Organizing Committee has decided that this year's conference theme is e-business, a topic that is very timely because the e-business is one of the conditions for each country's transition into the information society.**

**As there is a significant foreign exchange among our countries, e-business will certainly contribute to speeding up operations and reduce costs.**

**The aim of this conference is to analyze the achieved state of the introduction and implementation of e-business in the IT STAR members, stress present obstacles, and propose a way to resolve them.**

**The members of Croatian IT Association are included into implementation of e-business in the Republic Croatia for the period 2007 – 2010.**

**In order to provide conditions for quicker development of e-business in the region with the information literacy being on of**

essential presumption, in 2007 we organised the first annual regional ECDL conference, next year they were held in Slovenia and Serbia after that. This year it will be organised in Sarajevo in Bosnia and Herzegovina next month.

The Government of the Republic Croatia adopted the Strategy for the development of e-business in the Republic of Croatia for the period 2007-2010.

According to the data of the Croatian National Bank for 2009, 665 thousand citizens and 162 thousand business entities are using Internet banking.

In 2009, citizens had more than 21 million Internet transaction with 2.8 billion Euros, while businesses had more than 45 million transactions with more than 103 billion Euros.

Based on the actual indicators, it is to be expected that the future development of e-business in Croatia will lead to significant savings at the level of the government and the economy. Based on parallel data for Denmark and Croatia, the expected savings from the introduction of e-invoice in public sector alone are estimated at 40 to 54 million euros per year. Saving from introduction of e-invoicing in the economy were estimated based on similar study for France (savings at the level of 40 billion euro per year) and parallel data for Croatia would amount to approximately 850 million euros per year.

No significant legal obstacles to the development of e-business in the Republic of Croatia exist. It is therefore necessary to undertake intensive actions aimed at informing the wider public about the

rights and right protection mechanisms that have already been established.

Public administration bodies must continue with intensive efforts to introduce electronic services for the citizens and businesses with the implementation of advanced electronic signatures, along with the acceptance and issuance of electronic documents, and to establish the system for the exchange of electronic documents between state administration and judicial bodies.

Electronic documents are the essence of e-business. In addition to replacing existing hard copy documents they provide further automatic processing of such documents without human intervention.

The e-invoice is the most widely applied electronic document in the world. Even though it covers only a segment in the entire procurement chain, the e-invoice assumes a central role in the development of electronic business. Since the e-invoice contains essential VAT calculation details, the implementation of the e-invoice is of special importance for the enforcement of the national fiscal policy. The widespread presence and use of internet banking in Croatia is the foundation for achieving maximum effects from the introduction of e-invoices. The introduction of e-invoices is a good example of horizontal integration within e-business and is thus of interest to both large and small enterprises and the public sector.

Due to potentially large fiscal impacts of the electronic invoices implementation, the Ministry of Economy initiate the pilot project Electronic invoice which will be presented later. The best example for such use of the e-invoice is Denmark where, due to its

**compulsory implementation in the public sector, mass use and reductions in expenses exceeding 100 million euros annually have been achieved within a short period of time.**

**The implementation of e-invoices enables the automatic preparation of electronic orders for the payment of purchased goods or services. Unlike cash payments, all e-payment methods are suitable for monitoring of money flow by authorised organisations, which consequently contributes to grey economy reductions.**

**The most common forms of electronic payment are the use of credit and debit cards for payments over the internet, internet banking, mobile payment, intermediary services and electronic money.**

**Croatian banking association prepared structure of e-payment document in XML format,**

**The first document in a series of electronic documents used in the procurement procedure is the electronic order form using the e-catalogue in this process. It is an essential element for implementing the dynamic purchasing system. The standards for e-order forms and electronic invoices are logically interconnected and the e-invoice assumes a large amount of information from the e-order form, when available.**

**The organisation GS1 Croatia has initiated the e-business project eCROKAT, which allows the maintenance of the a Central catalog of commercial products and possibility to be synchronised with similar catalog worldwide, and eCRODOK which allows the preparation and exchange electronic messages in line with the international GS1 BMS (Business message Standards)**

**ICT technologies have already become a fundamental operational tool of companies. In order to allow for the use of their full potential, it is necessary that the management at all levels disposes the necessary knowledge and skills for their efficient and effective application.**

**Ladies and gentleman**

**I am confident that this conference will contribute to knowledge of the level of implementation of e-business in the region, as well as exchange of experiences between member countries of IT STAR, the creation of conditions for removal still present problems in deploying e-business, and connect professionals who deal with these issues with the aim of faster and more efficient application of e-business in the region. I wish all participants a successful work, our guests from abroad welcome and pleasant stay in Zagreb and Croatia.**

**Welcome and thank you for your attention.**