Information Society: a Foot in the Market
As the number of computer services grows, so does the amount of information available online

By Guoda Steponavičienė, Vice-President, LFMI
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In front of a PC Lithuania is as close a spot in the world as any other country. One can read lots of information about life and business here in dozens nice looking and informative home pages. Newspapers, official news, directories, hotel services, banks, telecommunication, insurance, car-rent and a variety of other companies present themselves in digital space.

If you cannot read Lithuanian, it is not a problem. Most information-oriented sites have their English profiles, some are only in English, and some have German or Russian versions. Despite the fact that the Lithuanian language has nine unique letters, you will not be left with the only option - Lithuanian menus on the screen and keyboard configuration - in a local Internet cafe. English has been used more than Lithuanian in computers so far. There are plans to expand localisation of software, but this will mostly concern schools and other educational establishment institutions.

Where there's a user, there's a service

For a total but e-equipped stranger in Lithuania I would recommend starting from the catalogue site online.lt. Here you can find a number of pointers to portals or homepages according to fields of interest. For example, you can find references to places to visit or stay, stock market news, urgent economic and political issues, general information about the country and people. Available languages are indicated at the pointer.

For local information, visiting electronic gates of cities could be helpful. Major cities, such as Vilnius, Kaunas, Klaipėda and Šiauliai, provide information for foreign tourists and businessmen alike. You can take a visual tour through Vilnius' old town by using a zoomed map with pictures of churches. This will help you not to miss lovely sites as you take a real walk downtown.

Those who like spending their leisure in nature can visit utena.lt, a homepage of the lake region centre. Birštonas, a health resort, provides quite detailed information about their services on the web, too.

Those who do not carry computers with them can use Internet cafes. There are a number of them in the biggest cities, and regional centres have at least one. True, they are still rare in small towns and villages, but knowing that they were as rare in the capital a few years ago should make us more optimistic.

Electronic information has several advantages over the traditional media - it is compact, classified, searchable, user-friendly and fresh. Admittedly, "In your pocket" booklets are a rare exception, although they also exist in e-version (inyourpocket.com). No wonder people are increasingly using this opportunity in daily life and while travelling.

Market shows rapid growth

According to the estimates of Infobalt, a Lithuanian Association of ITT companies and Organisations, information technologies (IT) grew by 23 percent and telecommunications (T) by 32 percent in 2000.

The Lithuanian Department of Statistics does not provide separate data about the ITT sector. Communications come under "transport and communications" in official statistical reports. One fact is obvious: the ITT sector is growing faster, on average, than any other sector and the country's GDP.

The share of IT makes less than one third of the ITT sector. Lithuanian IT companies have performed fairly well on foreign markets for some time already. IT companies, just as the Lithuanian economy in general, are mainly export-oriented. The bulk of revenue on the local market comes from the sale of hardware (around 67 percent). Software and services share the rest in equal parts. The year 2000 was the first to see sizeable foreign investments made in local companies.

The biggest telecommunication company, the Lithuanian Telecom, was privatised in 1998, granting monopoly rights in terrestrial communication until 2003. The company has undergone significant changes, both managerial and technological. The Lithuanian Telecom was the most profitable company in Lithuania from 1998 to 2000. In 2001 it has ranked second.

Despite the monopoly position, the company is facing fierce competition from mobile operators. There are three of them: Omnitel, Bitė GSM and Tele2. The number of mobile users is growing rapidly. At the end of 2000, 13 percent of the population used mobile services in Lithuania. Intense competition and corporate investment policies have led services to expand and prices to decrease.

Wireless application protocol, WAP, services are available, and the number of users is growing. In June 2001, Omnitel was the first in the Baltic countries and one of the first in Europe to introduce General Packet Radio Service (GPRS) technologies.

The third generation (3G) mobile telecommunication services are not available as yet. Earlier planned policies of the Government regarding 3G licences were abandoned due to painful experience of other countries. Debates on the methods and terms of licensing are underway. But they are unlikely to be adopted soon. As the monopoly in terrestrial communications is coming to an end, liberalization of this segment of the market is becoming more and more topical.

On the political level ITT issues are quite new. Despite the privatisation deal of the Lithuanian Telecom and price rises in fixed telephony, policies that have prompted a barrage of criticism from the public, other important decisions are still taken in narrow circles.

Developing information society

The general awareness of ITT issues has increased considerably in recent years. They have also attracted more attention from politicians. All parliamentary parties have articulated their views regarding ITT in their electoral programmes and other documents. Of course, there is a certain degree of controversy concerning policies to be applied, but it ceased to be a purely peripheral issue.

At the end of 2000 a newly elected parliament established a Commission on Information Society Development, which was later reorganised into a committee. After the Ministry of Communication and Informatics was closed in 1998, the implementation of ITT policies was dispersed among several administrative authorities: the Ministries of Transport and Communications, the Internal Affairs, Education and Science, Justice and Economy and a newly established Committee on Information Society Development under the Government of Lithuania. This division of responsibilities is complex and ambiguous, posing serious administrative problems and difficulties for ITT business.

At the beginning of 2001, the first strategic document on ITT policies, a Conceptual Framework of Information Society Development, appeared. In the summer the Government approved a strategy for implementing the framework. Now the ministries have been instructed to specify it in more detail. At the same time a conceptual framework for e-business was drafted and approved.

Sadly, a strategy for developing e-government, one of top priorities for the people of Lithuania, has not been adopted yet, although two alternative proposals have been drafted. This is one of the reasons why e-government projects are poorly coordinated, and the priorities of budget allocations are often questionable.

A national register system, customs and tax administration remain the biggest headaches. A well-organized and de-personalised system of information provision in public administration is necessary to increase its efficiency, encourage administrative reform and reduce bureaucracy and corruption.

Education is another major target for ITT policies and companies. Lithuanian schools are lagging behind the EU and even the other Baltic States in terms of access to computers and Internet. Today there is one PC per 60 pupils in Lithuania. The goal has been set to reach the EU level (1 PC per 10 pupils) in four years. It must be noted that funds for school computerization come from various sources, including ITT companies, banks, state and municipal budgets, international organizations, and individual donors.

A law on e-signature was adopted in 2000, but e-signatures have not been used as yet. A new Civil Code, which filled the gaps regarding the use of e-signature that the old document contained, came into effect only in mid-2001. Also, supporting legislation for implementing the law and a state supervisory institution for certification centres are yet to be created. These tasks are high on the policy agenda regarding information society development.

Being new and young, the ITT industry is growing despite a lack of statistics and a low level of public knowledge. Companies are using computers and Internet in management, accounting, marketing, logistics, analysis, planning and other formerly non-electronic activities. All major banks offer e-banking services, which are becoming more and more popular among business and individual clients.

Society is being informed and seeks to be informed. Therefore services in both real and virtual spaces are improving. State authorities are clearly lagging behind in this respect. And it would not be far wrong to say that this is the best platform for political parties to demonstrate their ability to learn from the market.