

# COMMISSION OF THE EUROPEAN COMMUNITIES

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## PROSPECTS FOR THE DEVELOPMENT OF NEW POLICIES

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PROSPECTS FOR THE DEVELOPMENT OF NEW POLICIES

I. The discussion concerning the expansion of the Community's own resources has tended to emphasize budgetary aspects at the expense of all other considerations.

Moreover, since all Member States face difficult choices as regards budgetary options, a contradiction can sometimes be said to exist between measures taken at national and Community level, involving compression on the one hand and an accelerated growth in expenditure on the other.

As a result, the debate now opening on the future of the Community, and particularly on new areas of Community development, is characterized by an ambiguity which the Commission considers it essential to remove.

The introduction of new policies has, in fact, been impeded not so much by the debate on agricultural expenditure as by the absence of specific objectives and definite priorities.

Consequently, in order to guarantee the harmonious development of the Community, the Council must first define appropriate objectives, and then provide the necessary instruments for their attainment within a given period. Over the years this method, on which the Community's great achievements were based, has given way to empiricism and pragmatism. It is essential to demonstrate the merits of the Community's approach compared with that of national governments. Failure to return to the method will make it impossible to:

- compare the advantages of the Community and national approaches;
- demonstrate that the expenditure involved is not simply a levy on the economies of the Member States but the means of achieving the jointly defined objective more effectively;
- make a choice between the different commitments that the Community might enter into;
- make a genuine assessment of the action taken.

The following examples are provided as an illustration of the foregoing observations.

\* Research and development: A framework programme, defining the different Community priorities for a four-year period, has been drawn up by:

- identifying specific objectives,
- providing a balanced assessment of the relative importance of the projects involved,
- establishing an operational management structure,
- providing for independent evaluation.

The Commission must, therefore, accept the consequences of its basic choice by providing, bearing in mind the financial resources available, an estimate of the funds required for the successful execution of the programme adopted. The Commission will enter the specific amounts in each preliminary draft budget for subsequent approval pursuant to the budgetary procedure.

As a result of its overall view the Council will then have all the information it requires to decide on specific programmes: ESPRIT, the programme of activities of the Joint Research Centre, etc.

\* Energy: A five-year programme will make possible the creation, within the Community, of appropriate conditions for the changes which are economically essential in the energy sector. This programme:

- defines objectives,
- lists priorities for action,
- suggests ways of implementing these priority activities.

Once the parameters have been defined, the Commission will indicate the activities which, in its opinion, can be most effectively, reliably and profitably executed in a Community context. Whereas some simply involve coordination with the Member States, others are more specifically orientated towards joint action.

The increase in expenditure can thus be measured in terms of the expected economic benefit for the Community as a whole.

\* Telecommunications, biotechnology, development of innovation: Faced with the speed at which changes occur and their magnitude, the Commission proposes to adopt a medium-term approach in each of these areas, all of which are of vital importance for the future and, in particular, industrial competitiveness.

Before the objectives have been defined, there can be no genuine agreement as to the need for, or value of, a Community approach. It will thus be impossible to assess the content and potential benefits of each of the concrete proposals.

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The proposed approach fulfils the objective requirements of Community development, whilst at the same time guaranteeing optimum use of the necessary financial resources.

The rate at which these policies or new projects are implemented will depend on:

- actual need;
- the priorities fixed;
- the resources made available; these will be determined on the basis of the task to be accomplished and its expected benefit for the Community both in economic terms and from the point of view of its unification.

A Community cannot live off its past achievements. Opposition to change clearly leads to erosion. Even more serious, however, is the fact that failure to take account of new problems may cast doubt on the Community's ability to exert any favourable influence on our future.

II. The above principles have informed the Commission's communications to the Council in recent weeks, concerning the R&D framework programme, Esprit, biotechnology, telecommunications and the multiannual programme in the energy field.

1. FRAMEWORK PROGRAMME FOR RESEARCH 1984-87

In the field of science and technology, the Commission is essentially proposing the following:

- five criteria by which to define the specific scientific and technical objectives to be adopted; these criteria relate to both the Community dimension (level of human and financial resources required, size of the potential market, "transnationality"), and to Community interests (collective needs, support for the Community's major objectives),
- the definition and implementation at Community level of an overall research, development and demonstration strategy,
- the preparation of a general framework programme of Community scientific and technical activities, to serve as an instrument for the implementation of the strategy, which defines the options and objectives to be adopted,
- the priority options to be taken into account:
  - . agricultural competitiveness,
  - . industrial competitiveness (with special attention to the new technologies),
  - . scientific competitiveness,
  - . stepping-up of aid to the developing countries,

- . adaptation of R&D activities already undertaken, by means of their incorporation into the overall strategy: energy, raw materials, environment, health and safety,
  - . development of analysis and forecasting capacity,
  - . reorganization of structures and procedures on the basis of the proposed strategy,
  - . systematic evaluation,
- a gradual increase in the Community's financial resources.

## 2. ESPRIT

Information technology is a strategic sector in which Europe suffers from inadequate production and restricted growth. The acceleration of technological progress is disrupting production conditions; industrial expansion is becoming dependent on the growth of research and access to a large market.

It is only in a Community framework that industry can enjoy the vast continental market and the security of the stable and homogeneous legal and political environment it needs in order to organize its own development strategy at the European level.

In-depth consultation with the major companies specializing in information technology, small and medium-sized enterprises, the universities and the administrations of the Member States made it possible for the Commission to prepare the proposal for the Esprit programme which it sent to the Council at the end of May 1983. This proposal provides for five areas of pre-competitive research. Industry is making available substantial amounts of its own resources for allocation to Esprit. Maintaining the present tempo in the preparation of the programme will also be a test of the Community's decision-making capacity.

### 3. TELECOMMUNICATIONS

It is recognized that there are three factors which determine the performance of the telecommunications industry: technological effort, the size of the market and the direct role played by the public authorities, particularly through the posts and telecommunications administrations.

A Community approach can give industry the support it needs to:

- ensure technological progress;
- operate on a large scale;
- provide stimulation to ways of increasing demand, by modernization of networks and deregulation of terminals.

This approach calls for a common strategy, a legal framework and a specialized executive body at Community level.

### 4. BIOTECHNOLOGY

There are two priority objectives:

- the development of basic biotechnologies by means of training and research;
- establishment of the conditions necessary for the development of biotechnology in the Community (access to raw materials of agricultural origin, setting up of homogeneous systems of rules and regulations and adaptation of systems of industrial, commercial and intellectual property).

In view of the scale of the problems and the need to ensure that Community action has the necessary continuity to be effective, the Commission proposes a phased R&D programme with well-identified objectives. During 1983, in close consultation with the industries and scientific laboratories concerned, the Commission will make precise and detailed proposals with the particular aims of:

- reinforcing basic biotechnology, and
- supporting Community policies in respect of the agricultural processing and health industries.

5. ENERGY

The guidelines of the multiannual programme are concerned with:

- reducing waste and the duplication of efforts and establishing the appropriate scale for financial contributions;
- creating a framework of rules and regulations which will encourage operators to take the correct long-term decisions. The Community does not intend to take over their responsibilities;
- taking appropriate action in areas where this has been shown to be beneficial at Community level, both in terms of a common interest and of effectiveness in the allocation of financial resources.

The programme also incorporates the time and flexibility elements essential to its efficient operation.