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COMMISSION STAFF WORKING PAPER

eEurope 2005 Mid-term Review

Background Paper

COMMISSION STAFF WORKING PAPER

eEurope 2005 Mid-term Review

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1. INTRODUCTION

This paper provides further background to the Commission Communication for the mid-term review of the *eEurope* 2005 Action Plan.¹

The need for a mid-term review is reinforced by 3 factors:

- **Enlargement:** In May 2004, the EU will be extended to 25 Member States. The 10 Acceding Countries and the 3 Candidate Countries developed a similar Action Plan, *eEurope+*, which will end at the ministerial conference in Budapest in February 2004. The mid-term review must ensure the targets and actions of *eEurope* are appropriate for the enlarged EU.
- **New Developments:** information and communication technology is developing rapidly and innovation can very quickly transform markets, create new ones and render policy outdated. *eEurope* 2005 was drafted over 18 months ago and the mid-term review must ensure it remains relevant in the face of new developments. In addition, with 6th Framework Programme for Research has just started and can be expected to contribute to *eEurope*, especially through the Information Society Technologies part of the Programme.
- **Implementation:** *eEurope* is undertaken following the open method of co-ordination which provides national policy makers with a mechanism to review progress in relation to others and to take remedial action if necessary. *eEurope* objectives must be achieved by action at European, national and local levels and a key element of the mid-term review must be to ensure that the action plan is implemented effectively and to identify if improvements can be made to the flow of information between the many stakeholders.

This working paper presents policy developments and benchmarking information used as a basis for the *eEurope* mid-term review. It is the Commission's analysis of political and technological developments and on the responses to surveys of the opinion of Member States and Acceding Countries that were undertaken in autumn 2003. It also uses the inputs received from a wide public consultation conducted through an online questionnaire and a public hearing held in October 2003.

The paper reviews recent developments and benchmarking in each of the action areas of *eEurope* 2005. This covers activities in Member States, at European level and, where available, considers benchmarking results. However, the data collection for the benchmarking of *eEurope* and the *eEurope+* Action Plan of candidate countries had not reported in time to be included in this report. Some data from other sources are used where appropriate. As with the Communication itself, this paper is structured as follows:

- (1) Services for citizens and businesses; (e-government; e-learning; e-health; e-business)
- (2) Faster, more secure internet for all (broadband; security; e-inclusion)
- (3) Implementation of *eEurope* 2005 (benchmarking; exchange of best practices; *eEurope* 2005 Steering Group)

¹ *eEurope* 2005: Mid-Term Review COM(2004)108

2. SERVICES FOR CITIZENS AND BUSINESSES

2.1. e-government

e-Government is the use of information and communication technology in public administrations combined with organisational change and new skills in order to improve public services and democratic processes and strengthen support to public policies. It is now widely acknowledged that e-government is a key tool for public sector reforms towards better governance. Implementation requires not just ICT investment but also enhancement of skills and reorganisation of working processes. This process can be especially helpful for institution building in the acceding countries and, in general, should contribute to improved transparency, inclusiveness and efficiency, in line with the objectives of eEurope and the Lisbon agenda.

Actions implemented

In Member States: Political commitment in Member States and Accessing and Candidate Countries as well as at EU level has stimulated developments. The responsibility for public administration lies with national and sub-national authorities and so, therefore, does the initiative on e-government.

The consultation on the mid-term review of eEurope showed that all Member States have e-government policies in place,² and ICT is viewed as a catalyst for administration modernisation and service improvement. e-Government is at the core of national policies for the Information Society.

At European level: A series of Ministerial conferences has been started to improve policy guidance and provide a forum for exchange of good practices. The second conference, held in Como, Italy, in July 2003³ included the presentation of eEurope awards for successful e-government applications. The Commission subsequently adopted a Communication which sets out a roadmap for future work, endorsed in the related Council conclusions.⁴ Member States have also continued exchanging policy views and experiences through the *European Public Administrations Network*.⁵

European level legislative measures have also contributed to e-government. The recently approved Directive on the re-use of public sector information⁶ provides a basis for the development of value-added services and contributes to the eEurope goal of developing new services and the Lisbon goal of more jobs. The legislative package on public procurement, agreed in December 2003, contains provisions on electronic procurement, addressing one of the e-government actions in eEurope 2005.

² This is at least the case of the countries that replied to the questionnaire. For details on national e-government strategies see e-government observatory,

³ <http://europa.eu.int/ISPO/ida/jsps/index.jsp?fuseAction=showChapter&chapterID=140&preChapterID=0>
⁴ http://europa.eu.int/information_society/europe/egovconf/index_en.htm

⁴ http://europa.eu.int/information_society/europe/2005/all_about/egovement/index_en.htm,
⁵ <http://ue.eu.int/pressData/en/trans/77963.pdf>.

⁵ <http://bl.ul.ie/epan/>

⁶ http://europa.eu.int/information_society/topics/multi/psi/directive/index_en.htm

e-Government is supported by various EU programmes such as *IDA*, *IST*, and *e-TEN* each of which has launched new projects⁷. The Commission recently proposed a draft Decision to establish an *IDABC* programme to succeed the current *IDA II* programme. In addition, the *e-content*, *Promise* and *Modinis* programmes and the structural funds have all made e-government a strategic objective. The Commission has proposed making the e-Ten programme (which supports the development of pan-European services) more effective by increasing the co-financing rate to 30%, while retaining the overall expenditure envelope. Finally, the Commission has financed benchmarking surveys and studies on e-government.

Progress

Benchmarking of e-government is based on an indicator measuring the online availability of 20 basic public services (12 services for citizens; 8 for business). The indicator measures whether services are available and the degree of interactivity on a scale ranging from simple online information to full online transaction including payment and, where appropriate, delivery. For the EU, the proportion of basic services fully available online grew from 17% to 43% between October 2001 and October 2003. Wide differences between Member States persist, ranging between 72% to 15% of services fully available online in October 2003.⁸

On average, full online availability of public services for businesses (59%) remains consistently higher than for citizens (29%). More specifically, online availability is very high for services generating income for administrations, such as collection of VAT, personal income taxes, or social contributions for employees (all above 85%). By contrast, it is lower in cases where administrations provide services or permits to users, including personal documents, building permission, or environment related permits (all below 10%). This in part reflects the fact that revenue collection services tend to be more centralised and easier to put online but more efforts are needed if public services are to become focused on clients.

Significant progress was also made in Acceding and Candidate Countries. In June 2002, around 50% of the 20 mentioned public services for citizens and companies were available online at a basic level (posted information or one-way interaction) and approximately 10% at the level of two-way interaction or full online transactions.⁹ In general, the main challenge for Acceding and Candidate Countries concerns user access, as the deployment of ICT networks and terminals, notably PCs, is lower than in the current Member States. Schools and Public Internet Access Points (PIAPs) are particularly important in this context.

Even though there is much scope for improvement, on both service delivery and its measurement, e-government supply is clearly progressing in the EU. However, analysis of the quality and usage of the 20 basic public services benchmarked in *eEurope* shows that more remains to be done on the demand side¹⁰. Although 80% of users are happy with the quality of public e-services, data on e-government demand are still insufficient. Even the level of use of

⁷ IDA: Interchange of Data between Administration. <http://europa.eu.int/ISPO/ida/>; IST: Information Society Technologies. <http://www.cordis.lu/ist/>; eTen: electronic Trans-European Networks. <http://europa.eu.int/eten/>, IDABC: Interoperable Delivery of pan-European eGovernment services to public Administrations, Businesses and Citizens; eContent: <http://www.cordis.lu/econtent/>.

⁸ *Web based Survey on Electronic Public Services*, Cap Gemini Ernst & Young, December 2003. http://europa.eu.int/information_society/eeurope/2002/action_plan/egov/index_en.htm

⁹ *eEurope+ 2003*, progress report, June 2002.

http://europa.eu.int/information_society/topics/international/regulatory/eeuropeplus/index_en.htm

¹⁰ PLS Ramboll Management A/S, *Top of the web – Survey on quality and usage of public services*, November 2003. <http://www.topoftheweb.net/en/index.htm>

public e-services is often unknown to providers. Moreover, from the evidence available, it seems that progress in e-government supply is not matched by proportional increase in demand. To address this problem, e-government policies across Europe are shifting towards user-oriented and “one-stop-shop” approaches, e.g. presenting services on the basis of “life-events” and “business episodes”. But greater efforts are needed, notably on public awareness, usability, multi-channel access, and user confidence in relation to privacy and security issues, including identity management.

Concerns about the correspondence between public e-services offered, on the one hand, and user needs and response, on the other, are part of an increasing concern with the social and economic impact of e-government.¹¹ This calls for a better connection between policy objectives and implementation, together with improved measurement tools to allow better assessment of results and appropriate adjustment of approaches. In the context of tight budgets, expenses must be justified by gains in productivity and/or quality of life.

Issues

Challenges to the implementation of e-government policy mentioned in the consultation included:

- The need for co-operation between various levels of administration and to ensure overall strategic co-ordination.
- The need to overcome interoperability problems and to adapt legacy systems which are resistant to change of working processes, and are hindered by lack of skills.
- The need for networks and services to ensure sufficient security and privacy of communications between administrations and users, including financial transactions. For example, identity management solutions, notably electronic signatures.
- Insufficient funding, notably from the EU structural funds. Public-private partnerships are cited as relevant instruments of e-government and various modalities are possible.
- Measuring e-government efficiency is considered important but difficult. Some Member States have made estimations, with varying degrees of sophistication. Moreover, the absence of productivity-oriented approaches within administrations was itself mentioned as an issue in the implementation of e-government.
- In line with the above findings, according to a study done for the Commission,¹² several challenges must be tackled to improve e-government supply. Enhancement of ICT tools and interoperability must be coupled with better skills, as well as back-office reorganisation and the integration of back and front office. Resistance to change within administrations remains an important barrier, which depends on many factors and can vary greatly according to context. There is a link between back-office reorganisation and the quality of service delivery at the front office, which, in turn, affects user take-up. Again, the highest levels of back and front office integration were recorded among services generating income for governments.

¹¹ Amongst others, the SIBIS survey on e-government provides orientations: <http://www.sibis-eu.org>

¹² *Reorganisation of government back offices for better electronic public services – European good practices*, Danish Technological Institute, December 2003.

As far as *eEurope* 2005 targets for e-government are concerned, the consultation indicates that they remain valid and good progress is being made on most of them in the Member States. This concerns in particular, the number of broadband connections for administrations, interactive public e-services, and PIAPs, as well as e-procurement availability. Moreover, in January 2004 the Commission submitted for open consultation a first version of an interoperability framework for pan-European e-government services.¹³ There is less evidence of progress towards making basic public services accessible for all, exploiting the potential of multi-platform access, including through digital TV and mobile phones.

Actions defined in the e-government Communication and the Council Conclusions address the above areas. Taking into account progress in these actions, further reinforcement of actions in the *eEurope* 2005 Action Plan may be appropriate as part of its mid-term revision.

2.2. e-learning

Europe is also making progress in the field of e-learning. Connectivity to ICT infrastructures continues to rise in the education and training sector. There is increasing awareness of the factors that make its use a success (e.g. training of trainers, quality content, addressing special needs and sound pedagogical practice). High policy commitment is expressed through national plans and the recently adopted eLearning Programme. For the moment, there are no general benchmarking data available for this section.

Actions implemented

In Member States: Responses to the mid-term review consultation reveal e-learning plans in several Member States and Acceding Countries. Some Member States are on their second or third round of strategic planning on e-learning. The picture of e-learning policy across Europe however is complex, not least because of the diversity of learning approaches and organisational set-ups (different levels of autonomy given to schools and colleges, different approaches to central setting of standards for ICT in education and the complex range of actors involved). All of this makes European strategy setting quite challenging in the area of e-learning.

Some common features of e-learning policies emerge from the consultation. Firstly, ‘digital literacy’ and the key skills (creativity, innovation, collaboration, learning and enterprise) necessary to take advantage of ICT and the internet in the knowledge society are considered important.¹⁴ e-Learning can help improve digital literacy and support learners to develop important ‘soft’ skills. The European Structural Funds are being deployed to support the actions of Member States in these areas and to address particular problems and the needs of specific social groups¹⁵. Secondly, financial support for acquisition of computer and e-learning packages for teachers and public servants and to increase awareness in the use of ICT in their professional environment is important in regions where connectivity is still a problem – especially in acceding countries.

¹³ <http://europa.eu.int/ISPO/ida/export/files/en/1674.pdf>

¹⁴ The High Level Group on the Employment and Social Dimension of the Information Society (ESDIS), http://www.europa.eu.int/comm/employment_social/knowledge_society/esdis_en.htm

¹⁵ Council Resolution of 5 May 2003 concerning equal opportunity for pupils and students with special needs, which places emphasis on the use of ICT and the internet to provide access to resources and services, as well as exchange and collaboration at a distance.

Inter-school networking¹⁶ and educational portals with the aim of exchanging best practice, facilitating the dissemination of information and providing support services for stakeholders are gaining growing attention. This was highlighted recently by the request of Member States to allocate 45% of the budget for the e-learning Programme to school twinning.

New services are important, such as the personalisation of learning paths, involving specific investment and resources for tutoring and guidance. Several countries are promoting the development of virtual schools, colleges and universities. These initiatives generally do not aim to replace traditional education but to enhance it by using ICT to make a wider range of resources and services available to learners, teachers and researchers.

Many countries have initiatives to develop the use of ICT in learning environments. Examples reported in the consultation include: support to teachers in the introduction of ICT based methods in subject-based learning,¹⁷ designation of peripatetic teachers to support introduction of new methods, development of digital learning material, on-line platforms for collaborative learning, services for learners with ‘special needs’.

As a contribution to the Lisbon strategy, Ministers of Education adopted in 2002 a work programme on objectives of education and training systems for 2010, one of which addresses the use of ICT in education. A working group report gives 58 examples of Member States policies¹⁸. Moreover, this exercise is embedded within lifelong learning policies, the context for initiatives and measures on e-learning for SMEs and/or the workplace.

At European level: the eEurope Action Plan and the eLearning Action Plan¹⁹ envisaged a reform of education and training systems in Europe to achieve the Lisbon objectives, through the extensive use of new ICT for learning and the availability of high quality educational multi-media content and services. The eLearning Initiative²⁰ gave e-learning a high priority and fixed ambitious objectives for infrastructure, equipment and basic training. The eLearning Programme²¹ will help to implement these targets by making e-learning widely available throughout Europe, supporting the use of new multimedia and the internet to improve the quality of learning. Of particular interest are the proposed actions on the ‘virtual campus’, which provide remote access to online curricula, virtual mobility and shared resources via broadband. The Leonardo da Vinci Programme²² continues to develop and promote the use of e-learning in the area of Vocational Education and Training, in particular by developing and exploring new ways of using e-learning in and by SMEs.

Also, the Commission continues to encourage Member States to invest in the training of teachers and trainers to ensure they apply new technologies to innovative practical teaching methods and to use the Structural Funds to promote re-skilling of adults and the identification and exploitation of good practices.

¹⁶ E.g. the national portal of Kennisnet, Netherlands <http://www.kennisnet.nl>

¹⁷ <http://www.canteach.gov.uk>

¹⁸ http://europa.eu.int/comm/education/policies/2010/objectives_en.html

¹⁹ COM (2001) 172 final

²⁰ COM(2000) 318 final

²¹ COM (2002) 751 final 2002/0303(COD) www.elearningeuropa.info

²² http://europa.eu.int/comm/education/programmes/leonardo/leonardo_en.html

Finally, the Commission will soon launch further research and pilot actions on technology-enhanced learning under the IST priority of the 6th Framework Programme²³. These projects will conduct research on the next generation of user-centred learning solutions including collaborative learning, virtual presence and simulation, transfer and sharing of knowledge.

Issues

At a general level the responses to the consultation recognised a need for greater efforts on sharing results and exchanging practices across Europe. They underlined the requirement for reliable technology with high bandwidth connectivity, the support of highly qualified teachers/trainers, high quality content and services as well as new approaches to learning. In addition there is a need to systematically evaluate the lessons that have been learnt from all the initiatives and pilot actions in order to set a course for e-learning in the future. More specifically:

- Much still needs to be done to achieve the shift ‘from learning about ICTs to...using ICTs to learn’ - i.e. from connectivity and digital literacy to effective use of ICTs in learning. The eLearning Programme aims to support this change in emphasis by bringing together the various actors in e-learning: research, academia, schools, higher education, industry and the public sector.
- Attention should focus on e-learning solutions that add real value to learning, for example, by being customised to the needs of individual learners who are able to interact with other students and tutors, in virtual learning communities.
- Multilingual European e-learning services and reusable content are needed by public services, third parties (e.g. publishers) and teachers and learners.
- In all sectors, tools and services should be based upon open standards and interoperable solutions to avoid lock-in to specific platforms or content providers.

2.3. e-health

Health is an increasingly information intensive sector where ICT significantly contributes to improve service quality, efficiency and accessibility. Furthermore, when coupled with enhancement of working processes and skills, ICT use can be instrumental in the reform of health systems in Europe, allowing for improvements in productivity and social cohesion in line with the Lisbon agenda. e-Health describes the application of information and communication technologies across the whole range of functions that affect health sector. The objective of e-health is to contribute to improvement in access, quality and efficiency of healthcare and in particular to be the enabling tool for reorganisation of citizen-centred health delivery systems.

e-Health is now a central aspect of health policy at regional, national and European level. Most Member States now have developed e-health plans many of which call upon an expenditure of more than 3% of the health budget on e-health tools and applications. At European level both the research framework programme and the public health programme put considerable emphasis on e-health.

²³ <http://www.cordis.lu/fp6>

Actions Implemented

In Member States: The consultation on the mid-term review of eEurope 2005 indicates that Member States and Acceding and Candidate Countries are at varying stages of an e-health implementation strategy. e-Health policy measures have been adopted across Europe but vary considerably, notably because of the specificity of national health systems. These measures address issues like networks for data exchange, electronic patient records, authentication and web sites. Co-operation between various administrations and private entities involved in healthcare is a critical challenge according to many respondents.

Many Member States have not yet quantified productivity gains from e-health. Those that have generally found the assessment to be partial and requiring further work. The EU conference on e-health in 2003 (see below) was judged positively for sharing experiences.

Most Member States are preparing to introduce electronic health cards and some already have them in use. All Member States have agreed to have electronic health insurance cards by June 2004.

At European level: In 1999 the Treaty of Amsterdam (Article 152) introduced a limited and well defined role for the European Union in matters of Public Health. Since that time, however, the jurisprudence of the European Court of Justice (ECJ) has identified an area of EU competence which has a significant impact on health. Notwithstanding the principle of subsidiarity in matters of health policy, jurisprudence of the European Court of Justice on the free movement of health services has developed which places such services squarely within the internal market.

Regarding the dissemination of good practice, the Commission and the Greek Presidency organised an EU ministerial conference on e-health in May 2003 in Brussels at which the eEurope awards for e-health were presented and a ministerial declaration was adopted.²⁴

As for legal and policy EU action, in 2002 the European Parliament and the Council adopted a Decision establishing a programme of Community action in the field of public health (2003-2008), comprising e-health related targets.²⁵ Moreover, following eEurope 2002, the Commission adopted a Communication on quality criteria for health related web sites. Following the Commission's Communication on the health insurance card²⁶, the legal and technical framework for the deployment of the European Health Insurance Card was adopted in June 2003 and will be effective from June 1st 2004²⁷. Ten Member States, and one Acceding Country, are in a position to kick off the deployment on the set date.

Work on the three e-health actions proposed in eEurope is being pursued. Due to the recent agreement on the alignment of entitlements, the card will be shortly extended to posted workers, students and job seekers staying temporarily in another Member State. Furthermore, the transition to electronic health cards continues through pilot projects such as Netc@rds

²⁴ http://europa.eu.int/information_society/europe/ehealth/conference/2003/index_en.htm

²⁵ In particular, targets on interoperable systems and networks for the exchange of data and information on health, monitoring and provision of information and data. http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/l_271/l_27120021009en00010011.pdf

²⁶ COM(2003)73. http://europa.eu.int/eur-lex/en/com/cnc/2003/com2003_0073en01.pdf. The Communication foresees the implementation of the card in three phases: preparation, distribution (starting on first June 2004) and electrification (after 2008).

²⁷ 2003/751/EC: Decision No 189.

with EU support from and in co-ordination with national initiatives. New developments are taking place in the area of online health services, notably the launch of an EU health portal in 2005 and further work on quality certification on health-related sites. Likewise, progress continues on health information networks by Member States (connections between points of care, including broadband connections where relevant), and the Commission (setting up Europe-wide information networks of public health data).

Various EU programmes support e-health developments, namely the *IST*, *e-TEN*, *Modinis* programmes and the structural funds.²⁸

Finally, the newly established Network of Competent Authorities for Health Information and Knowledge had its first meeting in July 2003. The network will establish a structural basis for the development of an information and knowledge system in health. The meeting studied the plan for the EU health portal, and suggested a first set of core indicators for public health.

Progress

There is no eEurope 2005 benchmarking data for e-health. However, the information available indicates that solutions (products, systems and services) now exist and are already implemented in many regions of Europe, giving better access, quality and economy of care, as well as consolidating a new e-health industry. A shift is taking place in e-health from research to a proactive and citizen-centred implementation of research results. The growth in e-health applications runs parallel to ICT diffusion, which partly explains national divergences. Other factors intervene, such as differences in healthcare organisation and traditions, or population characteristics.

In 2002, 82% of EU general care practitioners used a computer for their work (up from about 30% in 1999), 64% were connected to the internet or dedicated networks, 17% sent or received patient identifiable data and 31% used electronic health records. Although, internet usage was still mostly for accessing information, usage for clinical activities is increasing, with 32% of practitioners with online connections exchanging views with other colleagues online and 27% sending/ receiving patient identifiable data online.²⁹

Health information is frequently sought on-line, with 20% of the EU population aged 15 years or more (i.e. 36.4% of internet users) conducting searches in 2002. Differences by Member State and socio-demographic group were significant, reflecting divergences in internet penetration.³⁰ Groups with less access to the internet are often those with health problems (elderly, disabled...), suggesting a link between the digital divide and the “health divide”.

Issues

In addition, according to the views expressed by participants in the EU ministerial conference in 2003, further efforts should be made towards pan-European interoperability in e-health, guaranteeing continuity of healthcare and patient mobility. The major challenges include: interoperability and standards for health products, systems and services; safety and security issues at human and technical level (including training needs); legal certainty and privacy; measurement and dissemination of benefits of e-health solutions through agreed EU wide

²⁸ For references and links see footnote in the e-government section.

²⁹ Flash Eurobarometer 126 (May-June 2002) http://europa.eu.int/comm/public_opinion/flash/fl126_fr.pdf

³⁰ SIBIS health survey, carried out in April and May 2002. www.sibis-eu.org

benchmarks and cost-benefit analyses; patients' mobility and smart cards; online health information and services.

2.4. e-business

Interest in e-business is broadening from a concentration on e-commerce (buying and selling on-line) to wider concerns about the integration of ICT into business processes. Reflecting this change, the *eEurope* 2005 Action Plan proposed a comprehensive approach in order to tackle legal, skills, technology and business challenges with a view to fostering the efficient use of ICT in European enterprises, notably amongst SMEs.

Actions implemented

In Member States: The legal framework for e-business is consolidating with the transposition of the e-Signature, e-Commerce and Copyright Directives and the adoption of the legislative package of procurement Directives which introduces e-procurement in the public sector. This will increase the stability and the predictability of the e-business legal environment and boost consumer confidence in e-services. The transposition of the new framework for electronic communications, including the e-privacy Directive is completing the legal framework. Infringement proceedings have been launched against a number of Member States. The acceding countries report that a general transposition of the legislative framework extending from the e-commerce, e-signature Directives to the electronic communications Directives is under way as are additional legislative initiatives in the areas of e-payments, e-services and IPR in some countries.

Most Member States and many European regions have launched initiatives to stimulate the take-up of e-business by SMEs. These include training and assistance, pilot projects, programmes to increase ICT or stimulate ICT investment, promotion of e-commerce, encouragement of e-business readiness amongst SMEs, online information and guides, support to young entrepreneurs to create new e-business adapted enterprises, centres of excellence, courses for micro enterprises, awards, etc. In a limited number of cases, Acceding Countries have also launched e-business initiatives for SMEs such as one-stop-shops for business-related administrative procedures, dedicated assistance to SMEs to take up e-business and the inclusion of e-business elements in technology venture funds.

At European level: An on-line consultation on "Legal problems for enterprises doing e-business" which aimed to identify persisting legal barriers to e-business was completed in 2003. The majority of the 700 replies indicated that the legal framework does not constitute a major barrier for doing business electronically. Only 30% indicated that they have experienced legal problems (in contracts, taxation, and e-signatures). However, many European companies responded that they do not feel well informed on existing legislation in e-business. This confirms the need for initiatives such as the e-business legal portal (<http://www.ebusinesslex.net>). A Commission Staff Working Paper will highlight the main results of the online consultation and form the basis for discussion during the e-business legal conference in Dublin in April 2004.

The recommendations of an expert group report on B2B internet trading platforms in 2003 will be acted upon by the Commission in 2004³¹. Steps will be taken to raise SMEs

³¹ <http://europa.eu.int/comm/enterprise/ict/policy/b2b/wshop/fin-report.pdf>

participation through better awareness, increased market transparency and a more trustworthy environment. On market transparency, the Commission will implement the recommendations of the expert group by establishing a Europe-wide information service on B2B internet Trading Platforms (in complement to the e-business legal portal). On self-regulation, the Commission will prepare a Communication on fair trade in B2B internet trading platforms to help stimulate the development of codes of conduct by the private sector.

In 2004, an on-line service providing neutral and trustworthy information on B2B e-marketplaces will complement the already existing e-business legal portal

As a reaction to the growing concern caused by unsolicited commercial communications or 'spam', a Communication from the Commission was adopted in January 2004³². This Communication identifies a series of actions for public and private stakeholders to undertake, in order to make the new EU-wide 'ban on spam' included in the e-privacy Directive as effective as possible. Actions would range from effective enforcement and international co-operation, through technical solutions and self-regulation by industry, to consumer awareness³³.

A key issue remains the confidence of consumers in e-commerce. The organisation of a Presidency conference in Dublin on the confidence of consumers in the online marketplace (Consumer Day, 15 March 2004) will highlight the issues affecting consumer trust in e-commerce and discuss actions undertaken at EU level to boost it, including the Commission's e-confidence initiative.

There have also been a wide range of proposals on standards and interoperability by the European Standardisation Bodies, CEN and ETSI. These have concerned transactions, security, signatures, procurement and payments recommendations for standardisation requirements of e-business and studies to identify further standardisation requirements for the next generation of internet, broadband aspects and innovative research into enterprise applications. Interoperability continues to be one of the strategic research areas of FP6. To support Europe becoming the "plug-and-do-business" area and to consolidate research results, there will be the establishment of an interoperability portal, a conference on interoperability and the European e-Business Interoperability Forum (under the auspices of CEN).

The European e-Business Support Network (eBSN) for SMEs brings together policy makers to foster co-operation and to exchange best practices between European initiatives. Over 120 initiatives are members of the network and several concrete co-operation projects have started. Publications and online forums are showcasing SME take-up of research results. Following the Communication "*Adapting e-business policies in a changing environment*" in March 2003, the May Competitiveness Council conclusions invited the eBSN to report to the eEurope 2005 Steering Group. Under the auspices of eBSN, a training toolkit for SMEs will be implemented in 2004 bringing best practices in e-business coaching. A financial grant theme will be published to foster co-operation between eBSN members and to test the transferability of effective policy approaches.

³² Unsolicited Commercial Communications or 'spam', COM(2004) 28

³³ More information is available at: http://europa.eu.int/information_society/topics/ecommerce/highlights/current_spotlights/spam/index_en.htm

The e-Skills Forum (eSF), established in 2003, brings together the Commission, Member States, Acceding Countries, Industry, and Social Partners on an open platform to promote consensus building on e-skills issues, such as measurement of the e-skills gap or official recognition of industry training certificates. Following the e-Skills conference, to be held in Thessaloniki in June 2004, the eSF will issue a report in June 2004 outlining the policy challenges as well as recommendations for concrete actions. Attention will also be paid to the question of e-learning for SMEs notably through a benchmarking exercise of national policies in support of e-learning for SMEs.

Consumer experience was cited in the consultation as a strong determinant of confidence in using the internet and in adoption of e-business. A greater degree of involvement of consumers or end-users may have a positive impact on demand through increasing the fit between consumer needs and supply.

Progress

Benchmarking: progress has been achieved in both e-commerce and integration of ICT into business processes. Surveys of the e-business market show a steady increase in the take-up of e-business. Already 20 to 25 % of EU businesses sell online – around 12% selling B2B and 10% B2C. As many as 70% of EU companies have a Web presence while nearly 85% of EU SMEs have internet access (although 28% still connect through dial-up) and 20 % of the EU population purchase products or services on-line.³⁴

According to the European enterprises that account for close to 60% of employment e-business is now a significant factor in the way they operate (March 2003).³⁵ This represents an increase of five percentage points over June 2002 and is observed in all firm size-classes, although only marginally for micro-enterprises. The growth seems to correlate with wider availability and usage of broadband. However, it has to be recognised that the picture is unbalanced as the sophistication of ICT use varies considerably from sector to sector.

Issues

The main action lines of the Action Plan (legislation, standardisation, skills and the stimulation of e-business use by SMEs) remain valid. Continued attention is needed on implementation, for example:

- Monitoring progress: the full support of Member States for large-scale surveys is essential. Quantitative targets for e-business policies should be implemented in the Enterprise Policy Scoreboard in line with the eEurope 2005 targets and in collaboration with the European e-Business Support Network Steering Group.
- Interoperability and standardisation: While an insufficient level of interoperability of business applications impedes the adoption of new forms of collaboration in other e-business fields, the proliferation of standards hampers interoperability. Support from the Member States is needed to ensure that interoperability issues can be addressed.

³⁴ SIBIS survey - www.sibis-eu.org

³⁵ <http://www.ebusiness-watch.org/marketwatch/>

Mechanisms include the European e-Business Interoperability Forum (under the auspices of CEN) and the conference on interoperability.

- Secure and effective e-payment systems: Confidence and trust in online ordering and payment is essential to stimulate e-business and m-commerce and in particular efforts to establish effective procedures for micro-payments and address policy issues relating to m-payments are needed.
- The take-up of the .eu Top Level Domain - all Member States and acceding countries support the establishment of the .eu Top Level Domain. Some regard it as a determining factor to instil confidence in e-commerce in the EU. Thus the eEurope Action Plan should focus on implementation of the Regulation and its availability to all in the EU by 2004.

The holistic approach to e-business proposed in the Action Plan is only partially addressed by these efforts. Further thought is needed on the implications of new e-business models affecting payments (e.g. micropayments, m-payments), market access (e.g. m-commerce) supply chain integration and so on. Moreover, the consumer perspective has not yet been formally considered in the Action Plan, thus consideration should be given to engaging consumer groups and undertaking survey analysis of the e-business market to increase consumer involvement as well encouraging the e-business community to increase their attention to customers needs and satisfaction.

3. A FASTER, MORE SECURE INTERNET FOR ALL

3.1. Broadband

Broadband availability is increasing across the EU, as is take-up. There were 19.5 million connections in the EU at the end of October 2003 compared to the 10.6 million in October 2002. In terms of technology, 14 million (72.5% of the October 2003 total) were DSL lines while the other 5.3 million were mainly cable modem access with a small number of satellite or fibre. The rollout of broadband infrastructures is primarily a question for the market but the public sector has an important role. In certain areas it can provide leadership such as the contribution of the 6th Framework programme to the development of the GEANT project concerning high-capacity and high-speed European communication infrastructure for research. But mainly the role is to stimulate supply and demand and to provide the right environment for the market to flourish.

Actions Implemented

In Member States: At the spring 2003 European Summit, Member States agreed to put in place broadband national strategies by the end of 2003. So far, strategies have been officially presented by Denmark, Finland, Greece, Italy, the Netherlands, Portugal, Spain Sweden and the United Kingdom. While, most other countries have elaborated plans that are close to formal acceptance.

The target of widespread availability and use of broadband networks did not feature in eEurope+. However, several acceding countries have informed the Commission of their national broadband strategies or time-scales for developing such strategies.

At European level: Broadband has been put at the top of the political agenda it has figured prominently in all recent Telecom Councils and was central to the Informal Council at

Viterbo, Italy and will again be top of the agenda at the Informal Ministerial Conference in Dundalk, Ireland. Broadband has also been one of the priorities of the eEurope strategy during 2003. The Commission initially made the proposal that national broadband strategies be developed.

The eEurope Steering Group has been monitoring the development of national broadband strategies. An ad hoc subgroup of the Steering Group has also been established to agree on statistical measurements for broadband and to advise on emerging policy issues. The Commission will report to Telecom Council on the State of the Sector in March 2004 and in detail on strategies in June 2004.

In addition to the launch of national broadband strategies, other important developments include the entry into force of the new regulatory framework for electronic communications. On the supply side, a full, effective and timely transposition of EU legislation in each Member State is very important to create the correct and predictable environment for investment to occur. The Commission's 9th report on the implementation of the EU Electronic Communications Regulatory Package, adopted on 19 November 2003, points out that competition in the broadband market is still weak, and that a number of Member States have not yet implemented the new regulatory framework. It is vital that the remaining countries quickly follow for regulation to produce its desired effects at national and European levels. Moreover, in light of the fact that the consumer access to broadband is mainly via DSL lines it is of concern that the 9th Report states that competition in broadband remains weak.

A further issue concerns broadband coverage of remote and rural areas. There is a risk that, because the investment for the development of the Information Society in less favoured areas can be potentially unprofitable, the realisation of an 'Information society for all' may be put into question in the long term. Therefore, specific actions have been taken, articulated around the interventions of the Union's Structural Funds, to overcome the first challenge that demand is insufficient to justify investment in rural and remote regions and economically disadvantaged urban areas. This issue was underlined in the Communication '*Road to the Knowledge Economy*'. The Commission recently adopted the revised "guidelines on criteria and modalities of implementation of structural funds in support of electronic communications".³⁶ In this context, the Commission White Paper on Space Policy recommends setting up a Forum on the Digital Divide in 2004.

A workshop was held in December 2003 bringing together regions, Member States and industry representatives. It foresaw experience sharing through practical examples of initiatives that local and regional authorities are undertaking in this area.

The Communication on a European Initiative for Growth of November 2003 gives further impetus to broadband. It announced the Digital Divide "quick-start projects" to accelerate provision of broadband access in under-served areas through a technology-neutral approach. A project on Mobile Communication and Technologies will support research related to 3G mobile communications systems. Finally, it presented a research network infrastructure project focusing on further upgrading of the Géant network which currently connects universities, research and higher education centres across Europe.

³⁶ EC (2003) 895,
http://europa.eu.int/comm/regional_policy/sources/docoffic/working/doc/telecom_en.pdf

Widespread coverage and use are expected to be achieved through a multi-platform approach based on the coexistence and exploitation of a variety of technologies. Broadband access can indeed be delivered through a variety of networks (copper, wireless, satellite, fibre) and of platforms (PC, digital TV, 3rd generation mobile). Although personal computers remain the most widespread access device, future users may want to access the same services in a variety of situations and locations, through different devices and access platforms. The EU approach to infrastructure development is technology-neutral, both in terms of regulation and policy.

To highlight the issues involved, the Commission adopted a Communication on open platforms addressing the need to promoting interoperability, the development of attractive services, and the creation of a secure environment. A second Communication addressed the transition from analogue to digital broadcasting, which called on Member States' policy interventions to be transparent, justified, proportionate, timely and non-discriminatory.

These documents underlined that, although data show that the broadband market is growing at significant pace, the difference between availability and effective take up in most Member States shows the importance of stimulating demand by removing barriers to the development of new innovative content. A workshop was organised around this issue in July 2003, bringing together operators, content providers and Member States' representatives.

The workshop gave an insight into how people integrate broadband into their daily activities. The primary motivation for residential broadband access is improved performance of web browsing which increases the time spent on the internet. There is evidence that digital content such as video and music is downloaded more often by broadband than by narrowband users. Networking and communicating through e-mails and messaging remain popular applications. But broadband introduces new opportunities, making home-generated videos and content important options.

Broadband networking is also accompanied by an increase in illegal file sharing but recent statistics show that users are willing to pay for some content, such as music and gaming. Video is expected to be the next attraction and would be boosted if the dimension of interactivity succeeds in differentiating the use of the internet from that of passive entertainment. The availability of e-content and in particular of copyright protected content will be highly dependant of the implementation of Digital Rights Management (DRM) technologies, consisting either in systems or services. DRM technologies can be used to clarify and enforce rights, to secure payment but also to trace behaviour. The legal framework for the protection of DRMs is set by Directive 2001/29/EC, currently being transposed by Member States. But more transparency is required on the criteria to be used by Member States to take into account the application of DRMs in determining remuneration schemes. The market is at a critical point of development. On the one hand, the absence of an interoperable DRM infrastructure may lead to further fragmentation of the market. On the other hand, a successful implementation of DRM technologies in systems and services will help to ensure the development of important new on-line content markets, a vital factor in the roll-out of broadband, as well as to support the economic vitality of the content industries more generally.

The workshop showed the need for industry to create innovative content, engaging consumers in new ways. Business models need to evolve with the new opportunities offered by technological advances, delivering new value for consumers. Government has an important role in promoting the development of broadband applications and services, in particular, to facilitate the dialogue on DRM, promote interoperability, address security issues and the

desirability of exclusivity contracts. These may promote the delivery of content, but also act as strategic barriers to entry.

Progress

The Commission will report on recent developments in the broadband market in its Communication to the 2004 Spring European Council on the sector of electronic communications.³⁷

Issues

Key issues that emerged from the review consultation in the area of broadband were the needs to:

- Shift focus from connectivity to stimulating the use of broadband by addressing barriers to the development of digital content and public services for all platforms on the basis of openness and interoperability.
- Address DRM related issues and contribute to building consensus by pursuing dialogue with stakeholders
- Address the digital divide issue by proposing concrete quick-start projects to extend coverage of broadband through the Growth Initiative, and a Forum for the Digital Divide involving various Information Society stakeholders.
- Monitor the development and implementation of Member States' digital TV switchover plans.

3.2. Security

Network and information security is a prerequisite for the development of the information society. Recent figures show that almost 80% of the European citizens feel enough concern about data security to stop them from buying goods and services over the internet.³⁸ On the business side, only 54% of the companies surveyed had a formal security policy and over a quarter of organisations had been affected by security breaches. The consequences of these breaches (mainly viruses) were very often severe.

Recent developments

In Member States: All Member States and Acceding Countries have now implemented the electronic signature directive. Electronic signatures were strongly emphasised in the consultation, as opposed to other forms of security products (such as firewalls, encryption software and virus protection software). Member States are also completing the transposition of the e-privacy Directive including its obligations related to the security of electronic communications.

Although the broad lines of the e-Signature Directive have been respected by the Member States in their transposition, a number of issues remain. In particular, issues relating to the

³⁷ COM(2004)61 Connecting Europe at high speed: recent developments in the sector of electronic communications

³⁸ SIBIS, Security and trust, Topic Report No. 3, March 2003.

legal and market aspects of the application of the Directive have proven difficult. The Commission commissioned a study on the legal and market aspects of electronic signatures, which was presented in October 2003. The study shows that the number of supervised or accredited certification service providers issuing qualified certificates varies from country to country. Many countries have no or only one Certification Service Provider (CSP). The study also shows that there is currently no market demand for qualified certificates and related services. Furthermore the e-signature Directive states that the interoperability of e-signature products should be promoted. Interoperability is a requisite to achieve wide spread-use of electronic signatures and related services. Standards are required to achieve technical interoperability. A number of basic international interoperability standards exist based on PKI (Public Key Infrastructure). These standards are open and can be interpreted differently. EESSI (the European Electronic Signature Standardisation Initiative set up by the ICT Standards Board in 1999) has specified standards for electronic signatures. At national level, most of the Member States have taken general measures to promote the use of electronic signatures, and there are also a number of private sector initiatives in this area.

National strategies on information security are being developed in some Member States. Elements of such strategies are the clarification of responsibilities, strategy for awareness campaigns, management and technical standards, improvement of incident response and cybercrime strategy.

At European level: The proposal to establish a European Network and Information Security Agency (ENISA) has been adopted, and the Agency will be set up during the first months of 2004. The Agency will provide the mechanism for the development of a culture of security. Its main objective is to provide assistance and deliver advice to the Commission and Member States on issues related to network and information security in order to help ensure the smooth functioning of the internal market. It will help to achieve an increased co-ordination and information exchange between stakeholders on information security. The preparatory work for this Agency will be able to call upon the Modinis programme and an interdisciplinary working group. In this framework, the Commission will soon launch a study on the status of on-going actions on information and network security in Member States and Acceding Countries.

On the secure communications between administrations, the IDA project now encompasses Accession Countries. All participating countries have to conform to certain procedures to be able to use the encrypted system and security systems (like e.g. the IDA PKI service) to share the secure information. There has also been a security accreditation panel set up for the Testa network (the IDA secure communication platform linking the Commission, the EU institutions and agencies, and the Member states), in which Accession countries will participate from May 2004. A third action within the framework of the IDA programme is the 'Bridge CA projects' which provide a mechanism whereby a 'bridge of trust' can be established between different Certification Authorities (CAs). The establishment of a Bridge CA pilot allows the mutual recognition of digital certificates used by civil servants in the participating countries when using confidential and authenticated communication.

The EU has already developed rules to secure electronic communications. Next to the Electronic Signature Directive and the general data protection requirements stemming from the 'general' Data Protection Directive 95/46/EC, the e-privacy Directive (2002/58/EC)

includes specific provisions aiming at safeguarding the security of electronic communications services (see also section 2.4 above)³⁹.

Issues

ENISA will play a central role in the future development of network and information security policy. Other issues to highlight are:

- Achieving wider market acceptance of e-signatures by promoting the European level use of interoperable standards taking into account existing work (e.g. EESSI) and the results of the research (IST projects).
- The promotion of all forms of electronic signatures taking account of the level of security required but not the technology. Some technologies (e.g. PKI, passwords, Personal Identification Numbers, One-time Password Authentication) cannot be used for qualified electronic signatures but general electronic signatures have legal effect and give access authentication. Such technologies are already used in e-banking and also in e-government.
- The strong emphasis on electronic signatures should be complemented by attention to other forms of security products (such as firewalls, encryption software and virus protection software).
- There is also a need to analyse the role of certification in the work of creating trust in the information society.

3.3. e-inclusion

There is evidence that ICT developments do not permeate uniformly across all regions and socio-demographic groups. This phenomenon commonly referred as the “e-inclusion” problem or the “digital divide” is a horizontal concern for all areas of the “Action Plan eEurope 2005: an information society for all”.

The hearing in October 2003 and the consultation on the mid-term review of eEurope showed broad awareness of these issues, as well as consensus on the need for further action. It was indicated that greater focus is necessary in eEurope on user adoption and impact of ICT, addressing in particular accessibility and regional issues.

Implementation Actions

In Member States: The consultation indicated that Member States are well aware of the digital divide problem and have adopted measures to address it, including e-inclusion plans for target groups or the population at large.

Many Member States tackle ICT access through Public Internet Access Points (PIAPs) in relevant locations (libraries, local authorities, community centres...), where assistance and training is often provided. There are also schemes to connect disadvantaged homes to the internet, and to establish wireless internet connections in public places. Other initiatives

³⁹ OJ, No L 201, 31 July 2002. Information on the e-privacy Directive is available at: http://europa.eu.int/information_society/topics/ecom/comm/all_about/todays_framework/privacy_protection/index_en.htm

facilitate the acquisition of PCs, which are loaned to disadvantaged individuals participating in ICT training or sold with tax discounts. Tailored content for target groups is also provided.

As for skills, the use of ICT tools and specific training is part of general education and adult life-long learning programmes, in some cases offering ICT courses for teachers. There are also specific measures for target groups, such as immigrants, job seekers, users with disabilities or older persons, as well as training for remote areas including the use of e-learning tools. Moreover, many Member States have run awareness campaigns on the benefits of the Information Society.

Some of the obstacles to greater e-inclusion mentioned in the responses to the consultation are insufficient awareness by government and industry stakeholders, and lack of financial and human resources to create and run PIAPs, especially by local authorities and in new Member States. Also the absence of ICT solutions that are accessible for people with disabilities, difficulties to monitor the implementation of the Web Accessibility Initiative (WAI) guidelines in public sites and the scarcity of accessible web sites and online contents.

At European level: Many actions were recently undertaken, partly building on the follow up to the action line “participation for all in the knowledge based economy” of eEurope 2002. 2003 was Year of People with Disabilities and much EU activity on e-inclusion focused on this issue. It will be further developed on the basis of the European Disability Action Plan which was adopted by the Commission on 30 October 2003 in follow-up to its Communication on equal opportunities for people with disabilities⁴⁰. The first phase of this European Disability Action Plan (2004-2005) will put priority on the use of the potential of new technologies to foster the economic and social integration of people with disabilities, promote e-accessibility standardisation and to avoid “info-exclusion”.

In order to raise awareness and focus political attention to the issue, two EU ministerial conferences on e-inclusion were held in 2003: “Towards an Inclusive Information Society in Europe” in Crete, and “Gender and Information Society” in Athens.⁴¹ The European Parliament and the Council recently adopted various relevant resolutions, and the Commission adopted some initiatives addressing e-inclusion issues.⁴² In particular, the Communication “Draft Joint Report on Social Inclusion” summarises the results of the examination of the national action plans for social inclusion (2003-2005) and indicates that, although the impact of the knowledge-based society and ICT on inclusion is substantially recognised by the different Member States, only few National Action Plans attribute a strategic importance to e-inclusion.⁴³

EU expert groups have worked on implementation issues, e.g. accessibility standards for ICT products and services,⁴⁴ notably in the framework of the High Level Group on the

⁴⁰ COM(2003) 650 final

⁴¹ See: www.eu2003.gr/en/articles/2003/4/11/2502/ and www.equalitycongresses.gr/index-eng.html

⁴² For example, EP Resolution Women in the new Information Society, Council Resolutions Delivering eAccessibility – improving disabled people’s access to the knowledge based society; Accessibility of public web sites – access for people with disabilities; and Building social and human capital in the knowledge society: learning, work, social cohesion and gender.

⁴³ COM (2003) 773 final

⁴⁴ Namely the e-accessibility working group and the inclusive communications experts’ group, respectively reporting to ESDIS and the (electronic) Communications Committee. Also in this area of ICT accessibility standards, a network of centres of excellence in design for all (EDEAN) was launched in 2002, and the first recommendations for the content of the “European curriculum for design for all”

Employment and Social Dimension of the Information Society (ESDIS).⁴⁵ The above mentioned IST and e-TEN programmes of the EU support research and development on e-inclusion. In addition, the EU structural funds and the cohesion fund also finance social and regional development projects in this area.

Progress

Available evidence on e-inclusion is constrained by the complexity of the subject and no data have been collected so far as part of the benchmarking of eEurope. The report on social inclusion notes that, although indicators for e-inclusion are provided by certain Member States, we are still far from a system of indicators which could really allow monitoring of progress at national level. With this caveat, the report notes that internet access has grown proportionally at a higher rate among women and among unemployed and self-employed people. On the other hand it is lagging amongst people who are tied to the home (especially retired people and housewives but also ‘house husbands’) and in rural areas, in fact big disparities characterise the geography of access and use of ICTs across the EU”.

The SIBIS report on e-inclusion⁴⁶ notes that most of the socio-economically related social exclusion determinants are also relevant in relation to the Information Society. Moreover, the digital divides identified in the existing body of research persist, although it tends to decrease with regard to some factors like gender. The most relevant factors for the digital divide are age, education and income. Others like gender or occupation are less determinant.⁴⁷

Issues

The October 2003 hearing and the consultation for the mid-term review indicated the relevance of greater EU involvement in monitoring and quantification of e-inclusion, including more qualitative indicators on ICT adoption and accessibility, and research on individual benefits of participating in the Information Society. In this connection, there is a need for:

- Data to assess the extent of regional imbalances; this could be considered along side the review of the policy orientations for the structural funds.
- Further EU work on e-accessibility standards, including e-procurement, on implementation of WAI guidelines and common labelling for accessible web pages.
- Improved accessibility for all, including excluded groups and disadvantaged regions by further promoting multi-platform ICT access (PC, digital TV, 3rd Generation Mobile, Cable)
- Uptake and use of ICTs by groups at risk of exclusion, to be stimulated by awareness and digital literacy actions as well as provision of appropriate contents and services.

for designers and engineers were recently approved. See for information:

http://europa.eu.int/information_society/topics/citizens/accessibility/index_en.htm

⁴⁵ See: http://www.europa.eu.int/comm/employment_social/knowledge_society/esdis_en.htm

⁴⁶ See: “promoting e-inclusion” www.sibis-eu.org

⁴⁷ For instance, for regular Internet usage (last 4 weeks), the survey reports the following ratios: EU population aged 24 and under vs. 65 and over (~ 10/1). Studied until 21 year old or more vs. studied until 15 year old or less (~ 6/1). Top income quartile vs. bottom income quartile (~ 4/1). Male vs. female (~ 1,5/1).

4. IMPLEMENTATION

4.1. Benchmarking

Actions Implemented

Following the guidelines set in the Council *e*Europe Resolution, the benchmarking exercise is largely based on official statistics. Surveys of households and enterprises were organised by Eurostat and carried out by National Statistical Institutes (NSI). These surveys supply 26 of the 37 indicators. By end January 2004, results had been made available for 12 enterprise surveys and 11 Household surveys. Two Member States opted not to participate and no data will be available for them nor will it be possible to provide EU-15 figures for these aggregates.

To ensure regular and comparable data provision in Member States and to enable greater use of official statistics on the information society on benchmarking of the *e*Europe Action Plan 2005, in August 2003 the Commission proposed a European Parliament and Council Regulation concerning statistics in the Information Society.

To complement NSI surveys, the Commission launched surveys on Internet Access Costs, online availability of e-government, and broadband access. Further studies into e-health and e-learning are planned but have been delayed due to the late adoption of the Modinis Programme. A particular challenge for indicators in these areas is to explicitly support the pan-European dimension by taking into better account cross-border factors affecting these fields.

The benchmarking exercise for Acceding and Candidate Countries is now complete. The final progress report of the *e*Europe+ Action Plan was presented at the Budapest Ministerial conference in February 2004. Accession and candidate countries have participated in the Information Society Statistics Working Group and will carry out the household and enterprise surveys starting in 2004.

The Council *e*Europe Resolution requested pilot work on the e-business and e-health indicators. The methodological analysis for an e-business readiness indicator was undertaken by Commission services and proposals will be presented when data for 2003 is available. This indicator could be included in the benchmarking exercise from 2004. Results from the pilot work on e-health should be available during 2004.

Issues

Both the mid-term review survey responses and discussions in statistical working groups have stressed the need to review the indicators. The issues raised were:

- The current indicators focus too much on readiness and not enough on intensity and impact⁴⁸.
- Indicators do not show to what extent the targets of *e*Europe have been achieved.

⁴⁸ The categories of readiness, intensity and impact were defined by the OECD in 'Defining and Measuring e-Commerce: A Status Report' OECD-DSTI 08/10/1999.

- There is a need to provide comparative figures for third countries; eEurope should be benchmarked against the best in the world.

It is too early to provide a full assessment of the eEurope 2005 benchmarking exercise. A detailed benchmarking report with all available data for 2003 will be presented in June 2004. However, two preliminary recommendations can be made:

- The whole exercise is devalued by the non-participation of some member states in the two Eurostat/NSI surveys. Full participation should be a priority for 2004.
- The Commission proposes holding a meeting of the *ad hoc* group of policy makers and statisticians formed under the Danish Presidency to review the indicators. This meeting should also consider the pilot work on e-business readiness.

4.2. Exchange of good practice

Exchange of good practice and benchmarking together form the open method co-ordination, which is the method chosen by the Lisbon Council to undertake eEurope. Providing a forum for exchange of good practice is one of the most important contributions of the Commission to policy development in Member States.

Actions Implemented

An important milestone in the development of exchange of best practice was the e-government conference and Ministerial Declaration during the Belgian Presidency in 2001. This set the precedent for a series of events that have included a second e-government conference in 2003, organised with the Italian Presidency, and an e-health conference during the Greek Presidency. The forthcoming Irish Presidency plans to hold a second e-health conference as well as Broadband and e-government events.

Exchange of best practice through conferences has been enhanced by practices such as putting outcomes on websites and by mounting exhibitions to accompany the conferences and by the establishment of eEurope awards to the most successful applications. Awards have been judged by an independent agency, which has also published an analysis of all received applications⁴⁹. Furthermore, actions like the European e-Business Support Network (eBSN) have been implemented in order to institutionalise the dialog between stakeholders thus creating a channel for the exchange of good practices in a specific domain i.e. e-business policies in favour of SMEs in this case.

Issues

The exchange of good practices is complementary to the efforts on benchmarking and is an underlying principle of the Open Method of Co-ordination. It emerged from the consultation on the mid-term review as one of the main demands of Member States and stakeholders.

More could be done in this area within eEurope using the instruments available at regional, national and European level not only to support good practice but also to support emergent behaviour and practices. There are a range of instruments available to support good practice.

⁴⁹ European Institute of Public Administration, Maastricht

- Forums and conferences to present best practice in order to give greater visibility to experiences such as the on-going series of Ministerial conferences on e-government and the e-health conference in 2004.
- Competitions and quality awards that spotlight good practices such as have been developed in e-health and e-government.
- Support networks to promote mutual learning such as the e-Business Support Network (eBSN) and European Schoolnet in the area of e-learning⁵⁰.
- The codification of lessons into the form of guidelines, checklists, roadmaps or technical working documents such as the structured analysis of best practice and transferability conditions proposed in the e-government section.
- The development of complementary quantitative and qualitative indicators that track important developments, but which are not captured by the benchmarking indicators, such as growth of e-content, or patterns of use of broadband.
- Agreement on voluntary codes of good practice and open standards based upon codification of practices.

As we have noted throughout this paper exactly these instruments are widely used to different degrees in all areas of *eEurope*. However, in order to facilitate a more effective exchange of experience more thought is needed on how to use them so that they have a greater joint impact than can be achieved through their application individually. There is a need to balance the mix of these policy instruments in each domain to optimise exchange, depending on the level of consensus, experience and maturity in the field.

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<http://community.eun.org/>