European Communities

EUROPEAN PARLIAMENT

Working Documents

1982-1983

REPORT

drawn up on behalf of the Committee on Economic and
Monetary Affairs

on the proposals from the Commission of the European
Communities to the Council (Doc. 1-431/81) for

I.   a decision relating to the coordination of the
      activities of the Member States and Community
      Institutional information system

II.   a decision concerning the coordination of the
      actions of Member States and the Commission related
      to activities preparatory to a long-term programme
      for the use of telematics for Community information
      systems concerned with imports/exports and the
      management and financial control of agricultural
      market organizations

Rapporteur : Mr Barry SEAL

On 3 September 1981 the proposals of the Commission contained in Doc. 1-431/81 were referred to the Committee on Economic and Monetary Affairs as the committee responsible, and tu the Commictee on Budgets for its opinion.

At its meeting on 22-23 September 1981 the Committee on Economic and Monetary Affairs appointed Mr Seal as rapporteur.

It considered the draft report at its meetings on 24-25 November 1981, 3-4 December 1981 and 18 - 19 March 1982 and unanimously adopted it at the latter meeting.

The following participated in the vote: Mr Moreau, chairman; Mr de Ferranti, vice-chirman; Mr Caborn (replacing the rapporteur), Mr Albers, Mr Beurmer, Mr Delorozoy, Mrs Forster, Mr Leonardo, Mr Purvis, Mr von Wogau.

The Opinion of the Committee on Budgets will be published separately.

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The Committee on Economic and Monetary Affairs hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for

I. a decision relating to the coordination of the activities of the Member States and Community Institutions with a view to setting up a Community inter-institutional information system

II. a decision concerning the coordination of the actions of Member States and the Commission related to activities preparatory to a long-term programme for the use of telematics for Community information systems concerned with imports/exports and the management and financial control of agricultural market organizations

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council (COM(81) 358 final),[1]

- having been consulted by the Council (Doc. 1-431/81),

- bearing in mind its resolution on the seat of the institutions of the European Community and in particular of the European Parliament,[2]

- having regard to the report of the Committee on Economic and Monetary Affairs and the opinion of the Committee on Budgets (Doc. 1-41/82),

1. Strongly supports the general concepts of the CADDIA and INSIS projects:

As regards CADDIA

2. Regrets the weaknesses outlined by the Commission in the current piece-meal system of information handling at Community level in the area of data on imports/exports, and the management and financial control of agricultural market organizations;

3. Believes that the CADDIA project, therefore, could help to improve this situation, and to increase the efficiency of the customs union, the common agricultural policy and the common commercial policy of the Community;

4. Calls on the Commission, as an essential accompanying measure to its CADDIA project, to play a role in setting up a Community system of customs classification which would reduce or eliminate the excessive internal checking presently being carried out, and requests the Commission to come forward with proposals to this end;

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[1] O.J. No. C 291 of 12.11.81, p.2 and 3

[2] O.J. No. C 234 of 14.9.81, p.22

5. Points out that successful implementation of the INSIS project could:
   - improve the workings of the Community institutions, as well as of the national agencies and parliaments which interact with them, and save unnecessary travel and paperwork

   - create a large test market for the new information technologies

   - help to promote common standards for the new technologies, and avoid the development of incompatible national standards;

6. Believes that the INSIS project could help to meet the goal outlined in Article 3 (c) of its resolution in July 1981 on the seat of the institutions to the effect that the fullest possible use should be made of the latest means of telecommunications both for personal contacts and for document transmission; for this purpose terminals should be installed in all of the European Parliament's places of work. Further urges that it be closely associated with the development of the INSIS project, and that a seminar on INSIS for members of the Parliament be organized as soon as possible;

7. Requests to be kept closely informed, through its Committee on Economic and Monetary Affairs of impending problems in the area of standards, such as in the area of teletex technology;

8. Points out the acceptance of the new technologies in the workplace could prove a major constraint on its successful implementation, and welcomes the proposed workshop to be organized by the Commission on the human and organizational aspects of office automation;

9. Believes that Community industry should be involved as fully as possible in the detailed implementation of the INSIS project, and urges the Commission to ensure that as much as possible of the needed equipment be manufactured within the Community in order to avoid that the market opportunities opened up are primarily seized instead by firms outside the Community.

Conclusions

10. Supports, therefore, the current Commission proposals for CADDIA and INSIS which are primarily intended to get closer Member State involvement in the development of the two projects, and urges the Council to give its support as soon as possible;

11. Points out that the current proposals are of only limited scope, and that it will examine the issues involved in more detail when specific development plans are put forward by the Commission, which it hopes will be offered as soon as possible in 1982;

12. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

EXPLANATORY STATEMENT

Introduction

1. On 6th July 1981 the Commission submitted proposals for the
Council's decisions on two major projects, one for Co-operation in Data
and Documentation for Import/Exports and Agriculture (CADDIA) and the
other for an Inter-Institutional Integrated Services Information System
(INSIS).

The CADDIA and INSIS projects are certainly related, and indeed
CADDIA will constitute an important pilot project for INSIS. Nevertheless
the projects involved are quite distinct, and are discussed separately
below.

I. CADDIA

Objectives

2. The central objective of CADDIA is to improve the workings of the
customs union and the common agricultural and commercial policies of the
Community by providing for the use at Community level of more advanced
technologies for the processing and transmission of data on imports and
exports, and the management and financial control of agricultural organ-
izations, as well as providing for much greater coordination between the
development plans of the different national administrations.

Status

3. The CADDIA project has been under preparation longer than INSIS.
Initial studies were made as early as 1974. Furthermore a Council
decision of 27 September 1977 instituted an in-depth study of informatic
systems for the processing of data on imports/exports and on the manage-
ment and financial control of agricultural market organizations.

4. A consortium of consultants from 7 Community countries carried out
the study, which was delivered to the Commission in December 1980. The
study was highly critical of the present piecemeal situation as regards
information handling in these areas, and made a number of suggestions
for major improvements, through the development of appropriate telematic
services and facilities at Community level and the adoption by national
administrations of compatible development plans for their autonomous
systems, "the objectives being to raise the general level of efficiency
of information systems to a high common standard and to enable information
to be exchanged easily and rapidly between systems" (Commission Doc.
OJ/ 828/81-EN, point 7.2).

5. The specific proposals put forward by the consortium have now been considered by the Commission, which accepts many if not all of its findings. The Commission's review (Doc. OJ/829/81-EN) underlined that more work was needed in specifying the type of telematic services and facilities needed to back up the categories of information systems identified by the consultants. As regards the development plans of administrations the Commission's report[1] pointed out that "in order to achieve the desired consistency of performance across the information systems of the CADDIA Community there must be an unequivocal communal intention to converge upon a set of common objectives." On the other hand the idea of large centralised systems operated by the Commission was impractical. "The services therefore support the conclusion that the administrations should retain their autonomy over the development of systems while inclining them to converge upon a common objective of improving the timeliness and quality of information and the means of exchanging it."[2]

The Commission agreed that there should be a review of Community regulations in this area aimed at simplifying and harmonising legislation. Standardization should also go ahead as should rapid implementation of a computer-based Community Integrated Tariff (TARIC II).

6. The Commission now wants to press ahead, and get a greater commitment from the Member States. The current proposal for a Council decision, therefore, calls for the Member States to coordinate a series of preparatory activities with the Commission, eventually leading to the formulation of a ten-year development programme for the use of telematic systems in the customs union and agricultural data areas. As with INSIS, an Advisory Committee would be established, with not more than 3 representatives from interested departments in each Member State, which would work closely with the services of the Commission.

Evaluation of the proposal

7. Successful implementation of the CADDIA proposal would be of great value to the Community and deserves strong support from the Parliament.

8. As the Commission's latest report (contained in COM(81) 358 final) points out existing information systems supporting the provisions of the customs union and the Common Agricultural Policy are inadequate and "the media presently used - telex, paper, telephone, magnetic tape etc. - lack coherence" and "cannot continue to meet the need for the speedy collection and transmission of information" (paragraph 2 of report). Furthermore the information systems are inadequately inter-linked, with different systems being used, even including manual rather than computerised systems.

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[1] op. cit. point 7.2

[2] op. cit. point 7.3

9.   To simply cite two examples of the current situation, on occasion ten metres of telex can be sent in one day in connection with the fixing of agricultural levies and restitutions and last year 14 million bits of paper were transmitted in connection with Community transit, proving that goods were entitled to free circulation within the Community, and the same number has to be returned to offices of origin to be matched with originals, a manual process subject to a high rate of failure, thus increasing opportunities for fraud.

10.   The potential advantages of CADDIA then are very considerable in a number of key areas of Community policy. Surveillance of sensitive imports in connection with the Multi-Fibre Arrangement (MFA) and other areas could be greatly improved, as could the quantity of information about quota goods in the context of the generalised system of preferences (GSP) and autonomous quotas. In the fisheries area the statistics on catches are often processed too late, and great improvements could be made. Many other examples could be cited.

11.   The Committee therefore supports the current proposal but wishes to be closely associated with the subsequent phase of development of the proposals.

II.   INSIS

Objectives of INSIS

12.   The central objectives of the INSIS project are to harness the new information technologies to improve the transfer of information between the Community institutions and the member state governments, at the same time improving office productivity, stimulating the development and use of vital new technologies through the creation of a large test market, and also providing a spur to the adoption of common standards for these new technologies.

13.   The scope of INSIS is extremely wide in that it is intended to involve a wide range of technologies in different stages of development, ranging from telex and word processors to videotex, teletex and electronic mail. The ultimate intention is for these various services to be combined in one Community-wide multiservice information system.

14.   The intended users of such a system are the Community institutions themselves, as well as government departments in Member States and also national parliaments in their day to day contacts with the Community. Potential users by 1985   have been estimated at 18,000 within the Community institutions and up to as many as 150,000 in the Member States.

Status of the project

15.   The concept of the project is outlined in the Commission's document COM 79.650 fin. "European Society faced with the challenge of new

information technologies: A Community Response" in its' section 3.6
"Community: An exemplary centre for an information system". This was
approved by the European Council in November 1979, and in December 1980
the Commission established the Steering Committee and Working Group to
develop INSIS.

A number of sub groups, on user requirements, technical options and
standards, economic and financial questions, human and organisational
aspects, and Community institutions data base policy have been subsequently
set up.

A number of detailed studies have also been commissioned on issues such as
specification and forecast requirements for telematic services in the
Community institutions, the processing of parliamentary questions, and
standards policy.

Close contacts have been established with the telecommunications authorities
of the Member States (PTT's) through a joint PTT/Commission Steering Board.
Such co-operation with the PTT's is essential since the actual development
and integration of new services will be the PTT's responsibility, and will
not be funded by the Community Budget. The proposed Community expenditure
for INSIS (3.4 million ECUs in the 1982 draft budget) will instead help to
finance the needed background studies and pilot operations and the sub-
sequent follow-through.

16. Besides PTT involvement, however, the various branches of national
government need to be much more heavily involved in the development of the
INSIS project, and their various needs as users have to be far better
defined if a project is to proceed beyond the current initial stages. The
central purpose, then, of the present proposal for a Council decision is
to achieve much closer involvement and commitment of the Member States in
the development of INSIS, through the establishment of an Advisory Committee
made up of representatives of the Member States and of the Community
institutions and organizations.

17. If this is approved by the Council the next step will be the preparation
of a four year action programme to be adopted in the course of 1982 which
will give a more detailed outline of the steps that will have to be taken
to get INSIS off the ground.

Evaluation of the proposal

18. A detailed evaluation of the project is not called for in the context
of this report and would more appropriately come at the stage of preparation
of the proposed 4-year programme in which Parliament should participate as

fully as possible. Nevertheless, a few general comments about the INSIS project should be made at this stage.

19. The general concept of the proposal deserves strong support. There are clearly major advantages in a successful development of the INSIS project, in terms of improving the workings of the Community institutions themselves as well as of the national agencies which interact with them, of creating a test market for the new information technologies and of helping to promote common standards for them. However, a few important points need to be underlined.

20. Firstly, user needs should be more carefully examined. While the Commission has begun the process of consultation with other Community institutions on their needs as users, the process of defining overall needs is still at a comparatively early stage, and more systematic contacts with Member States and, consequently, with industry will still have to be made. The Committee looks forward to being kept fully informed of the initial findings of the consultants who have been asked to make forecasts about the requirements for technical services within the Community institutions, and also to hear of the fuller conclusions of the INSIS project group in this regard.

21. In it's assessment of user needs the Commission should specifically ensure that the needs of national parliaments are also taken into consideration. Although this would appear to be the Commission's intention, there is no explicit reference to national parliaments in the Commission's document. The importance of the needs of elected Members of Parliament as well as those of officials being reflected in the INSIS project is also true as regards the European Parliament itself.

22. For one of the prime potential users of INSIS is the three centred European Parliament, one of whose major problems if inadequate communications. The important implications for the Parliament were recently acknowledged in the resolution adopted in July 1981 on the seat of the institutions (C234/81),   in which it was stated (in article 3c) "that the fullest possible use should be made of the latest means of telecommunications both for personal contacts and for document transmission."

23. Among the possible ways in which new techniques could help to improve Parliament workings would be :

- the more or less instantaneous transmission to members of changes in the agendas of committees and other organs of Parliament,

- the immediate transmission of amendments to, and new versions of draft reports, as well as of Commission proposals,

- regular updates of the status of particular initiatives during every
  stage of their consideration by Parliament, and what happens to them in
  Commission and Council after the adoption of Parliament's opinions,

- wider access for Members and staff to material submitted by affected
  outside organizations, such as trade unions, industry and consumer
  groups.

Many other applications are possible, and much unnecessary travel could be
avoided and vast quantities of paper eliminated.

24. In the context of these possible applications it is disappointing to
see that the Commission's latest document does not elaborate on the firm
commitment expressed in the Commission's original paper of 26 November 1979[1]
in which it was stated (in point 3.6.2) that "a start will be made by
providing Members of Parliament with direct access to Commission held
information."

25. The Committee also notes that a pilot project has been commissioned
with INSIS money to examine ways of improving the handling of written
Parliamentary questions. This is clearly an area where great improvements
can be made but it is nevertheless only one out of many priority areas that
need to be tackled.

26. The Committee understands that the Commission is thinking of organising
a seminar on INSIS for members of the European Parliament and urges that
such a seminar be organised as soon as possible as a first step towards a
closer association of the Parliament in the elaboration of the INSIS project.

27. The second vital point to underline is that of standards. In an area
of such rapid technical change it is hard to know at which point the
promotion of common standards is best tackled, and there is clearly a danger
in premature creation of standards. Nevertheless, as the Committee has
pointed out in the past[2] the creation of competing sets of standards within
the Community as happened with colour television, and then later with view-
data technology (which has only recently been resolved) should be avoided
wherever possible.

28. An example, for instance, of an unsolved problem in the area of standards
is that of diverging national implementation of non mandatory CCITT recommend-
ations, such as in the area of teletex.

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[1] "European society faced with the challenge of new information
technologies: a Community response" (COM(79) 650/final).

[2] Herman opinion (PE 69.942/fin.) on the third programme for scientific
and technical information and documentation.

29. The Committee on Economic and Monetary Affairs have taken a particular
interest in the establishment of standards. It suggests that there should
be close contacts between it and the INSIS project group to ensure that it
is made aware, as soon as possible, of impending problems in the area of
standards. The Committee understands, in particular, that consultants
are preparing a report for the Commission on a policy on standards within
the INSIS context and that the Community PTT's have helped to establish
a joint technical group based in Darmstadt and within the CEPT framework
which is looking at the problems of standards in particular. The Committee
should be kept informed of progress in this sphere.

30. A third important element which will merit much closer consideration
in the elaboration of the INSIS project is the question of acceptance of
the new technologies in the workplace. The paper-less office has been
predicted long enough, but its actual attainment will be hard to achieve,
even if the potential gains in office productivity are great.

     The Committee welcomes, then, the workshop on the human and organisation-
al aspects of office automation which is being organised by the Commission
in the spring of next year, and believes that the Parliament should be
associated with this initiative.

31. A fourth key need is for Community industry to be involved in the
INSIS project as fully as possible. The opportunities opened up by a large
new market for the various technologies involved, and by the development
of common standards is very great, but there is a very real danger that it
will be the Community's major industrial competitors, and notably those
in the United States and in Japan, who will be the quickest to seize these
opportunities.

32. Another important opportunity opened up by the INSIS project will be
more effective control of Community spending: the Committee notes with
approval that fund management, such as of the Social Fund, is one of the
potential pilot projects identified by the Commission as a likely INSIS
application.

33. One final technical point concerns the drafting of the Commission's
proposal. Article 1 of the draft proposal for a Council decision begins
"the Member States and the Community institutions and bodies shall co-
ordinate with the Commission a series of activities ....".
A better form of wording is needed for this article.