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PROPOSAL FOR A COUNCIL 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

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Report by the Commission to the Council
on
a study of informatics systems for the
processing of data on imports/exports and
on the management and financial control
of agricultural market organizations

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PROPOSAL FOR A COUNCIL 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

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(submitted to the Council by the Commission)

COORDINATION OF THE ACTIVITIES OF THE MEMBER STATES AND
COMMUNITY INSTITUTIONS WITH A VIEW TO
SETTING UP A COMMUNITY INTER-INSTITUTIONAL
INFORMATION SYSTEM
(INSIS)

EXPLANATORY MEMORANDUM

A. Introduction and description of the project for an inter-
    institutional information system (INSIS)

1. The aim of the INSIS project is to set up an information system
    between Community institutions and the departments in the Member
    States most concerned with Community activities.
    This system, which is designed to increase the efficiency of
    the Community machinery, will use the new information technolo-
    gies best suited to its requirements.

2. Definition studies and pilot projects will need to be undertaken
    in order to identify medium- and long-term aims for the project
    and to prepare general specifications for attaining them.
    These activities should enable the Commission in 1982 to propose
    to the Council a decision on the definition of detailed specifica-
    tions, and the development and entry into service in 1986 of
    an initial phase of the inter-institutional system.
    All this work is being conducted in cooperation with the other
    institutions and the relevant departments in the Member States.

3. In its Resolution of 15 July, 1974 on a Community data-processing
    policy[1], the Council of the European Communities expressed
    its willingness to support joint projects of European interest
    in the field of data-processing applications, to be proposed
    by the Commission.

    In 1979, the European Council asked the Commission for its ideas
    on the computing and telecommunications sectors, which were

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(1) OJ N°. C 86, 20.7.1974, p. 1.

regarded as having excellent growth prospects. The Commission
set out its ideas and proposals in the report on "European socie-
ty faced with the challenge of the new information technologies :
a Community response"[2], submitted to the European Council at
its Dublin meeting in November 1979. The Council took note of
the document and requested the Council of Ministers of Foreign
Affairs to study a strategy on the subject.

4. The Commission document proposes a number of general measures
which can only be fully effective if carried out on a Community-
wide scale.

It also proposes that the Community authorities set an example
by using the new information technologies themselves. This ap-
proach could take the form of the development of a system of
new "telematic" services for the transfer of information between
the Community institutions and Member State governments.

5. There are two aims in setting up this inter-institutional infor-
mation system. Firstly, with the use of electronics the manage-
ment of Community work can be improved, especially by rationalis-
ing the procedures for the exchange of and access to information,
which is bound to make the working of the institutions more ef-
ficient. Secondly, the setting up of an operational system de-
signed to integrate the new services available for users will
have a ripple effect :

- by encouraging telecommunications administrations to go ahead
  with infrastructures for the integrated communications network,

- through its impact on the Community's industrial apparatus
  and in particular on its competitiveness vis-à-vis its main
  rivals.

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(2) COM(79) 650 final.

6. If this project for a system of uniform integrated services is
    to run smoothly, all the participants concerned, whether they
    are interested in using the system or in providing the technical
    equipment it needs, must play an active part in the process of
    creating it right from the initial definition stage. It must
    be borne in mind that the "market" of potential users of the
    INSIS system consists of 16 000 officials working in seven insti-
    tutions, speaking seven languages and in daily contact with about
    100 000 people working in public bodies in the ten Member States.

7. The new information technologies are gradually gaining a foothold
    in all branches of human activity as advances are made in micro-
    electronics and costs come down. The main reason for the success
    of these technologies is the improvement in productivity that
    they bring with them, especially in administrative activities
    which are falling well behind manufacturing activities in terms
    of investment and productivity.

8. It will only be possible to make use of the new information tech-
    nologies within the Community institutions and for their contacts
    with national public authorities if all those concerned take
    steps in good time to ensure that transmission media are "trans-
    parent" to users, i.e., that there is end-to-end compatibility
    of exchange systems. To achieve this aim, the public telecommuni-
    cations networks must be capable of conveying the information
    coming from the new services set up between the institutions
    and the Member States. Also users must define and use exchange
    conventions allowing given services to be supplied, such as elec-
    tronic document distribution or electronic mail.

9. The telecommunications administrations in the ten Member States
    have expressed their willingness to cooperate and are already

taking part in the work being done by the Commission.

They consider that INSIS can have a considerable spillover impact on the work being done on data exchange protocols and the inter-changeability of terminal equipment.

The speeding up of this work being done by industry and the standards institutes is in line with the desire of the PTTs gradually to open up access to the services for all Community users on the basis of a phased timetable.

10. At the same time the national user departments and the Community institutions will continue to develop their own internal telematic systems. This development must not under any circumstances be held back but it is a matter of urgency to supply these independent systems with specifications for a framework that will allow them to converse with each other throughout the Community.

B. Status of the work being done by the Commission

11. As soon as the European Council's reaction to the Commission proposals was known, the Commission decided to undertake a few definition studies.

A first set of studies started early in 1980 was intended to define an approach to the problems involved in the management, analysis and development of the INSIS project and to establish models for a cost/benefit appraisal of the inter-institutional information systems.

At the end of 1980 outside consultants were commissioned to carry out a second set of basic studies; these relate to user needs, technical aspects (in particular the question of norms and standards), economic analyses, and the problems involved in introducing the new systems, particularly as regards changes in working habits.

12. As of now, all this work confirms the urgent need to establish a framework enabling the users, both in the Community institutions and in the Member States, of the new services offered by this technology - the introduction of which is inevitable - to have access to information wherever it may be and to exchange information in various forms.

C. New projects

13. An examination of what has been done to date seems to indicate that the project is feasible in principle. It is now essential that the other institutions and the national departments concerned join with the Commission in order to develop the Community aspects of this project. By working jointly in this way, it should also be possible to investigate the tasks and resources needed to continue the project.

14. The setting-up of an inter-institutional information system in a technological environment that is evolving fast is so complex that it is necessary to devise a medium- and long-term strategy based in particular on a detailed knowledge of current requirements, a forward technical and economic evaluation of the development of the technology and the programmes of industry, the development plans for public networks and networks within the departments concerned and the socio-structural reactions of users to the new techniques. Several of these factors have to be verified by specific pilot projects.

The main aim of the projects planned for 1982 is to prepare a four-year programme which should lead to the implementation of an initial group of new telematic services.

15. It seems that the bodies participating in INSIS should carry
out an analysis similar to the one conducted by the Commission,
in order to determine their qualitative and quantitative require-
ments for new telematic services. Of course consultation must
be organised so that the results lead to a consistent evaluation
of the communication flows. This evaluation will make it possi-
ble to establish specifications for an adequate public infra-
structure and also to decide which services are capable of sig-
nificantly increasing the efficiency of the Community's admini-
strative machinery.

This joint work must be supplemented by a functional study of
information circuits, in particular to measure the interaction
between the new technologies and existing communication struc-
tures and assess the possibility of rationalising some of them.
For example, filing and classification problems are of vital
importance.

16. If the new technologies are to be introduced consistently against
the current background of continuous change, there must be an
on-going evaluation of the practical possibilities they open
up as regards both terminal equipment and local internal net-
works. Because the INSIS project is European and inter-institu-
tional in scope, it is impossible to separate the evaluation
of technologies from the evaluation of standards and exchange
protocols - in particular relating to the high levels of the
ISO seven-layer model - that have been or are about to be adopted
at international level. This work must be accompanied by the
establishment of temporary uniform conventions for all users
wherever there are no international standards, so as to obtain
as far as possible end-to-end compatibility of the communications
systems.

Some architecture principles that have to be defined before a
start can be made on the development stages depend on these va-
rious factors.

It is also necessary to give consideration to the man-machine interface, in particular by gradual integration of services at least at user level, i.e., in the terminal equipment. The problems involved in connecting to INSIS equipment that already exists in the bodies participating in the project will have to be overcome by those bodies themselves.

17. Obviously the project will be faced with choices of a technical nature and decisions on the work schedule; these choices will be made by estimating, on the basis of the use and improvement of econometric models now being developed, the cost of the possible solutions referred to an efficiency indicator.

18. The man-machine relationship must be further investigated as the rejection of technology by those who stand to benefit from it is likely to be the main obstacle to the implementation of INSIS. Very little is known about this subject and an on-going evaluation of experiments in progress in the industrialised countries is essential.

It is also obvious that information and training programmes within the bodies taking part in the project are a matter for those bodies themselves.

19. Finally, the stage involving the development and implementation of an initial phase of INSIS cannot be carried out without setting up a suitable management structure. Consequently, when the four-year programme is prepared, the features of this structure should be defined.

D.   Forms of cooperation

20. In order to develop a cooperative activity as complex as INSIS, especially in view of the large number of participants, it is

necessary not only to set up an advisory committee of users, but also to organise seminars and workshops of a specialised or general nature with the collaboration of senior technical staff from the departments most concerned.

The aim of these meetings will be to decide jointly on matters of vital importance for the continuation of the project; at the same time they will give those concerned an opportunity to exchange information.

21. In order to speed up the evaluation of users' needs in the various institutions and Member States, the Commission will call meetings of users which could constitute a forerunner of the advisory committee of users, the setting up of which the Council is being asked to approve. This measure should also enable national or Community institutions to plan the resources they will need, particularly in order to evaluate their own qualitative and quantitative requirements, to make a functional study of information circuits, and to participate in inter-institutional pilot projects.

As for the Commission itself, it has included in its preliminary draft of the 1982 budget (Item 7711) the amount which it needs for implementing the activities which it has to undertake in 1982.

22. The explosive growth in the telematic requirements expressed, combined with the rapid evolution of the technologies, imposes stringent scheduling constraints.

As a result the Commission intends to propose to the Council in 1982, a design and development programme for the implementation of an initial phase of the inter-institutional information system. The duration of this programme is estimated at four years.

It would be followed by a second programme terminating in 1990 which would see the gradual installation of new telematic services carried on a European public digital network now being developed.

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THE COORDINATION OF THE ACTIVITIES OF THE MEMBER STATES AND
COMMUNITY INSTITUTIONS WITH A VIEW TO
SETTING UP A COMMUNITY INTER-INSTITUTIONAL
INFORMATION SYSTEM

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament (1),

Having regard to the Opinion of the Economic and Social Committee (2),

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(1)   O.J. N°.
(2)   O.J. N°.

-10'

Whereas the Community institutions and the related national administrations should provide an example as users of the new information technologies which they promote; whereas, in order to optimise the operating efficiency of the Community machinery, it is necessary to provide for the coordination of the activities that they have undertaken in this field with the Commission's own projects;

HAS DECIDED AS FOLLOWS :

Article 1

The Member States and the Community institutions and bodies shall coordinate with the Commission a series of activities with a view to preparing an outline design programme leading to the development and implementation of a Community inter-institutional integrated services information system (INSIS) which will develop the use of new electronics technologies, according to jointly-agreed conventions, for their exchanges of information.

The Commission shall be responsible for effecting such coordination through an Advisory Committee made up of representatives of the Member States and of the Community institutions and organs.

Article 2

When the implementation of its programme has been completed, the Commission shall report to the Council and Parliament and put forward such proposals as it considers appropriate with a view to the adoption of a detailed design and development programme.

Article 3

This Decision shall take effect from the date of its publication in the Official Journal of the European Communities.

Report by the Commission to the Council

on

a study of informatics systems for the processing of data on imports/exports and on the management and financial control of agricultural market organisations.

1. Article 3 of Council Decision No. 77/619/EEC(1) of 27 September 1977 instituting a study of informatics systems for the processing of data on imports/exports and on the management and financial control of agricultural market organisations laid down that the Commission should submit a report to the Council at the end of the study. The Commission presents this report in accordance with that requirement.

2. A project leader was appointed in July 1978 to manage the study under the Commission's directions. A contract to perform the study was awarded in March 1979 to a consortium of seven consultancy companies, each from a different Member State.

3. Under Article 2 of the Council Decision the duration of the Study was to be 18 months. Owing to severe internal difficulties the consortium made little headway during the first few months and the Commission eventually extended the duration of the Study by two months without penalty under the contract.

4. The consortium delivered its report to the Commission in December 1980. Copies have been distributed to appropriate administrations in Member States and to services of the Commission, for evaluation and consideration of the findings and recommendations of the report.

5. The report proposes a ten-year development programme during which the Commission and the relevant administrations in Member States would develop their autonomous informatics systems in a series of concerted actions aimed at exploiting informatics technology to improve the quality and timeliness of information and to enable it to be interchanged directly between systems.

6. The Commission endorses in principle the main proposals of the report and is currently developing ideas on the organisational and resourcing implications at the Community level. These will have to be further developed in discussions with the Member States administrations, following which it is envisaged that the Commission will make a proposal to the Council for the adoption of a long-term programme with a specific budget, starting in 1983.

7. A number of preparatory activities must be undertaken in order to reach the position envisaged in paragraph 6 above. These are the subject of the separate proposal to the Council which accompanies this report and in which the main recommendations of the consultants' report are summarised.

-12-

8. The Commission is in the meantime taking action internally to support the more urgent preparatory work and intends to stimulate further discussion with Members States' administrations.

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 ORGANISATIONS
EXPLANATORY MEMORANDUM

1.   Background

In its Decision (1) of 27 September 1977 the Council authorised
a study on Cooperation in Data and Documentation for Imports/-
Exports and Agriculture to which the acronym CADDIA was given.
The study was conducted by a consortium of consultants provided
by seven companies, each from a different Member State. The
consortium delivered its final report at the end of 1980.

2.   Findings and recommendations of the consortium

The main finding, derived from the results of interviews
and questionnaires applied extensively in the customs, agricultu-
ral, and statistical administrations of the Community, is that
the existing information systems which support the operations
of the Customs Union and the Common Agricultural Policy and there-
fore by inference the whole area of the Community's internal
and external trade policies for industrial and agricultural
products, are defective; that the media presently used - telex,
paper, telephone, magnetic tape etc - lack coherence, cannot
continue to meet the need for the speedy collection and trans-
mission of information, and that the information systems are
not adequately interlinked. The consortium has proposed a develop-
ment programme covering about ten years, during which an infra-
structure of telematic facilities and services will be developed
at the Community level to support the required information
systems whilst the development of their own autonomous systems
by the administrations of the CADDIA community is concurrently
directed towards compatibility with that infrastructure.
Concomitant recommendations are also made for a vigorous policy
of standardisation and for machinery for horizontal coordination
of the development programme. On the technical level the concept
of "gateways" is proposed. These would be switching centres,
one in each Member State and one in the Commission, at which
non-switching functions would also be performed in order to
enhance the value of information.

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(1) OJ No. L 255, 6.10.77, p. 32

The proposed ten-year development programme includes a number of short-term actions intended either to meet pressing immediate operational needs or to prepare the ground properly for later actions.

The implementation of a computer-based Community Integrated Tariff (which has been given the acronym TARIC II) is identified by the consultants as the key event of the development programme since it will provide the standard means of referring to all goods, both industrial and agricultural, during transborder movements, and of defining the various Community regimes to which they are subject.

The technical specification of the CADDIA study asked for proposals for detailed programmes by means of which the administrations in Member States might develop their autonomous systems towards a general convergence on the long-term targets. It also asked for estimates of costs and of cost-effectiveness. The consultants did not meet either of these requirements on the grounds that they had been unable to acquire sufficient information about the long-term telematics plans of administrations in Member States, about the budgetary and other resource constraints which would influence those policies, and about the costs of existing information systems, to be able to formulate any worthwhile proposals. The report was therefore presented by the consortium as a basis for discussion and further development.

3.   The Commission's response

The Commission considers that the report contains findings of major interest, some important recommendations, some worthwhile suggestions, and a coherent programme of future actions which are technically feasible. The report has not however distinguished sufficiently between import/export data and the other data required for the management of agricultural market organisations. The measures proposed for the customs sector do not always meet the full needs of the agricultural sector.

To remedy this situation it will be necessary to carry out specific studies and projects for agriculture whilst giving full weight to the interrelatedness of customs and agricultural systems.

Of the major recommendations the Commission has at present reservations about only one - the "gateway" concept, partly because further work needs to be done to justify the proposal and partly because any solution must be compatible with proposals which might ultimately issue from the INSIS (Interinstitutional System for Information Services) project, which is the subject of a separate proposal to the Council covering the wider needs of the Community and which overlaps with the CADDIA project in the area of data transmission.

The gateway concept apart, the Commission therefore supports the adoption in principle by the CADDIA community of users of the main proposals of the report. It is recognised on the other hand that more work needs to be done on the development programmes for administrations in Member States and on cost estimates and constraints before the CADDIA community as a whole can commit itself to the long-term targets. It should be noted, however, that two proposals in the Customs area, namely TARIC II and the Pilot Projects in the Customs Sector have been examined by the Customs Questions Committee (Directors General) and have received its unqualified support.

4. Preparatory activities

In the light of these considerations it is evident that further preparatory work will be needed before the Commission can make a definite proposal for a development programme of about 10 years duration for the years 1983 onwards. The work will require intensive collaboration between the Commission and national administrations in Member States. The preparatory activities, some of which have already been started, include :

- Work on the design and implementation of a computer-based Community Integrated Tariff (TARIC II) and special nomenclatures for agricultural products.

- pilot projects in the customs sector covering Community Transit operations and the exchange of urgent data.

- pilot projects in the agricultural sector concerned with the exchange of management information and the dissemination of market information.

- the standardisation of message structures and codes used in CADDIA information systems and a review of the requirements for communications protocols.

- a review of the way in which regulations affecting CADDIA information systems are presented to those who have to implement them.

- a study of the technical and economic aspects of the "gateways" concept.

- a study of audit and security requirements.

5. Organisational matters

Organisational machinery must be established for the steering and coordination of CADDIA-related studies and projects across the whole community of CADDIA users. Whilst the Commission would be responsible for the execution of the studies and projects, certain services of the Commission would also belong to the community of users. It is proposed that at policy level a User Advisory Committee composed of senior officials from Member States' administrations and the services of the Commission be set up to discharge the steering and coordinating functions. The Committee would also assist the Commission by establishing and maintaining links with the various elements of the CADDIA user population including those in the private sector. It would also have the power to set up appropriate technical subcommittees.

6. <u>Preliminary work</u>

At working level, a preliminary task force would be set up, composed of experts from the Commission's Services and Member States' administrations supplemented as necessary by external consultants. This task force would be responsible for classifying the elements of the long term development programme into tasks of the Commission, of the Member States, and those which were essentially joint tasks, and would then go on to prepare project mandates, timetables, resource estimates, and priorities together with development programmes for the separate administrations of the CADDIA community and also for the community as a whole. Once the work of the task force is completed, and subject to the advice of the User Advisory Committee, the tasks defined would be allocated to project teams in the Member States, in the Commission, and in the areas of joint actions. A project manager would be appointed by the Commission, who, with the advice and assistance of the User. Advisory Committee, would be responsible for the day-to-day management of the preliminary task force and, subsequently, the project teams.

In the meantime the Commission intends to push ahead with informal discussions with administrations in Member States and to continue to set essential primary actions in train.

7. <u>Resource Requirements</u>

To support the activities described in paragraph 4 above the Commission has already set certain actions in train, using existing resources. For 1982, it will use funds under budget line 7711.

−18

<u>PROPOSAL FOR A COUNCIL DECISION CONCERNING THE
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OF TELEMATICS FOR COMMUNITY INFORMATION SYSTEMS
CONCERNED WITH IMPORTS/EXPORTS AND THE MANAGEMENT
AND FINANCIAL CONTROL OF AGRICULTURAL MARKET
ORGANISATIONS</u>

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic
Community,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and social Committee (2),

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(1) OJ No.
(2) OJ No.

Whereas, as regards the administration of the Customs Union and the common agricultural policy, it is essential that import/export data and data on the agricultural market and its financial control are rapidly communicated and processed;

Whereas the Study of informatics systems instituted by the Council in its Decision 77/619/EEC (1) has been completed and has produced a recommendation for the adoption of a concerted development programme for the next ten years by the relevant administrations of the Community.

Whereas, since the Services of the Commission and the competent national administrations will be the operators and the users of the improved information systems, it is appropriate in the interests of the proper working of the Community mechanisms to provide for the coordination of relevant actions undertaken in the Member States and the Commission.

HAS DECIDED AS FOLLOWS :

Article 1

The Member States shall coordinate with the Commission a series of preparatory activities with a view to the elaboration of a concerted ten-year development programme for the use of telematics systems for the processing of data on imports/exports and on the management and financial control of agricultural market organisations. The Commission will be responsible for accomplishing this coordination in collaboration with a User Advisory Committee composed of not more than three representatives from

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(1) OJ No. L 255, 6.10.77, p. 32

-20

each Member State, representing the main interested government departments. This Committee shall advise and assist the Commission and its members shall establish and maintain coordination and liaison between the administrations participating in the CADDIA (Cooperation in Data and Documentation for Imports/Exports and Agriculture). The Advisory Committee may set up appropriate sub-committees.

Article 2

The Commission shall, in the light of the results of the preparatory activities, make a report to the Council and the Parliament and shall present proposals for the adoption of a long-term development programme to be implemented in concert with the relevant national administrations.

Article 3

This Decision shall take effect from the date of its publication in the Official Journal of the European Communities.