

EUROPEAN PARLIAMENT

Working Documents

1983 - 1984

19 March 1984

DOCUMENT 1-1472/83/ANNEX

ANNEX

to the report drawn up by Mrs DESOUCHES
on behalf of the Committee on Economic and Monetary Affairs

on the proposal from the Commission of the European
Communities for a Council decision amending Decision
79/783/EEC in respect of general measures in the
field of data processing (Doc. 1-1232/83 - COM(83) 658
final)

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OPINION OF THE COMMITTEE ON ENERGY, RESEARCH AND
TECHNOLOGY

OPINION OF THE COMMITTEE ON YOUTH, CULTURE, EDUCATION,
INFORMATION AND SPORT

PE 88.884/fin./Ann.

O P I N I O N

of the Committee on Energy,
Research and Technology

Draftsman: Mr P. BERNARD

On 25 January 1984 , the Committee on Energy, Research and Technology appointed Mr BERNARD draftsman.

The committee considered the draft opinion at its meetings of 1 and 23 February 1984 and adopted it at the latter meeting.

Present: Mr GALLAGHER, acting chairman; Mr SELIGMAN, vice-chairman; Mr BERNARD, draftsman; Mr ADAM, Mr LINKOHR, Mrs LIZIN, Mr MARCHESIN, Mr MORELAND, Mr PROTOPAPADAKIS and Mrs VIEHOFF (deputizing for Mr PETERSEN).

At first sight, the aims of this proposal for a Council decision seem rather modest as it concerns the extension (1984-1986) of only the first part (general measures) of the Council Decision of 11 September 1979 on a multiannual data-processing programme (1979-1983).

In fact, these 'general measures', which aim to create or maintain conditions favourable to the development of data-processing in the Community, prompt reflection at two levels on the conditions needed:

- to call a halt to the present situation, where a 'non-Europe' finds itself on a downward non-growth trend, and
- to bring into play structures, resources and measures enabling our undertakings and our citizens to benefit from the multiplier effect on Community efficiency which would be generated by the energetic and rapid implementation of this programme which was supposed to follow on its predecessor, which expired on ... 11 September 1983 (so while the committee welcomes the fact that the Commission has finally submitted the proposals under consideration, it regrets the fact that very little progress has so far been made in such vital areas as standardization and policy on public procurement despite the fact that these two objectives were to receive priority under the first part of the programme for 1979-1983).

This two-part reflection (which takes account of the analyses and proposals contained in the ALBERT-BALL report on European economic recovery in the 1980s submitted to the European Parliament in August 1983) prompts this committee to stress the following points:

- technical aspects: data-processing, seen in the overall context of the very wide variety of its current and potential applications, will undoubtedly be the driving force behind the third industrial revolution;
- economic and social aspects: the synergistic coordination of the efforts (dissipated and non-coherent at present) of all European countries in the field of advanced-technology industries and particularly data-processing is vital to the recovery of the European economy. Data-processing should not be regarded as just one of many technologies (albeit an advanced one) but as the basic technology providing the impetus and dynamism for all the others, refurbishing them or creating them entirely. It holds out the prospect of increased productivity, growth and diversification of output (goods and services) and social progress, which is not only

conceivable but has already been achieved in the United States and Japan
- our two closest and most formidable competitors in this field.

A dual approach: determination and immediacy

This committee applauds the dual approach of determination and immediacy which inspired the Commission proposals.

DETERMINATION

1. to make up the lost ground by European countries in the fields of research and development and production (inadequate integration resulting in an inferior position) in relation to the United States and Japan: see table 10 on Europe's technological decline on page 78a of the English version of the ALBERT-BALL report (see Annex);
2. to complement the work or share the burden of the national organizations responsible for laying down essential standards either by coordinating work already under way or by direct Community measures (also involving interested non-member countries, particularly those in EFTA);
3. to establish and harmonize standards both within the Community and worldwide;
4. to ensure the necessary technical (standardization), legal and administrative (public procurement, protection of industrial and individual designers and users) and political (joint measures) conditions for the establishment of a genuine European common market worthy of the name and which is the sole means of guaranteeing the advantages of scale already enjoyed by the Americans:
 - . promotion of basic research and innovation by pursuing coherent policies on research, mobility and cooperation between research workers and between research workers and users;
 - . promotion of rapid circulation of information on inventions and innovations in the economic (undertakings) and social (domestic users) fabric of society;
 - . reduction of costs leading to the rapid popularization of products manufactured by industry (creation of new types of jobs in the production of both goods and services) and of private and domestic applications; the reduction of costs is also a powerful factor for galvanizing export trade,

as can be seen from the loss to the Community of various sectors of the world market in this field owing to the 'every-man-for-himself' policy pursued by its Member States.

IMMEDIACY

The Council resolution on this subject dates back a considerable time (15 July 1974) yet actual decisions were taken much later, viz.

- . Community measures on public procurement were not implemented until December 1982,
- . Community measures on the legal protection of software were not implemented until mid-May 1982.

This time-lag illustrates the urgent need to follow up the previous programme, which expired on 11 September 1983. Any interruption of continuity in this field would result in almost irreparable damage for Europe as a whole. Let us reiterate, by way of example, that 'the Community has perhaps no more than five years to establish a common market for public contracts. This points up the importance of the proposal submitted by the Commission to the European Council of Stuttgart in June 1983 for the creation of a European Telecommunications Agency' (ALBERT-BALL report, English version, p. 78).

In view of the rapidity of innovations and applications achieved by our American and Japanese competitors, Europe must act with similar speed in this field if only to make up the ground it has lost and prevent itself from being left behind irrevocably.

1. The requisite speed must be forthcoming first and foremost in the field of standardization, since it will not otherwise be possible to take advantage of the synergistic effect of the Community's research and development endeavours.
2. This concern for speed must also be reflected in the conversion of research, innovations and standardization procedures into practical applications (robotics, production and office systems, telecommunications, etc.) bearing in mind the consequences for the nature, level and location of the jobs created. It should be pointed out in this connection that this programme complements the ESPRIT programme, providing a context for application of the research results.

3. We must act with equal speed on matters relating to the training, security (material and non-material) and satisfaction of the consumer requirements of private and domestic users:

- . basic training or retraining schemes;
- . information on technical aspects of and regulations governing the specifications of equipment, standardization, arrangements for interface compatibility, programming languages, etc.
- . establishment of a new legislative sector: data-processing law, governing the possibilities for interconnection and intercommunication, the confidentiality and security of data (particularly personal data), legal protection for software designers and, in more general terms, providing a systematic analysis of this rapid growth sector, the impact of the data-processing boom on society in general and, more specifically, on individuals both as workers and private citizens.

Two objectives: - Multilateral dynamic popularization
- Verification

MULTILATERAL DYNAMIC POPULARIZATION

The aim of popularization which underlies this Commission proposal has, fortunately, nothing to do with traditional concepts: it seeks to be neither unilateral (from the brilliant designer to the ignorant user) nor passive (on the part of the receiver).

This determination to pursue multilateral dynamic popularization is reflected in a number of objectives which this committee endorses:

- . promoting contacts between research workers to avoid duplication and gaps and so as to achieve the best possible results by a synergistic combination of efforts, which are at present dissipated and uncoordinated: the disadvantages inherent in this dissipation and lack of coherence are obvious if we bear in mind that, generally speaking, expenditure on research and development 'is still close to that of the United States and about twice as high as Japan's' - ALBERT-BALL report, English version, page 79 - the results produced being mediocre (particularly in the case of data-processing) compared with the 'invasive' creations of our American and Japanese competitors;

- . promoting contacts between research workers and users (industrial, domestic and private);
- . promoting the dissemination of new inventions and major innovations;
- . promoting work on standardization by coordinating the work of existing institutions and possibly, the introduction of new structures: in this field too, a dynamic policy of concertation and coordination needs to prevail over excessive bureaucratic procedures;
- . promoting the absorption in depth of the results of standardization both by public administration and by undertakings and individuals.

THE NEED FOR VERIFICATION

In view of the vital importance and priority of standardization activities for establishing measures relating to public procurement, knowledge of the sector, training, protection of data and persons and support for basic research activities, verification of conformity with standards needs to play a pre-dominant strategic and practical role.

This committee shares the Commission's concern and approves the following rules of conduct advocated by the Commission:

- . promotion and production of standards,
- . uniform application of these standards throughout the Community,
- . coordination with manufacturers,
- . training of individual users and consultation of industrial users,
- . adequate consultation with all parties concerned (particularly national organizations which already have national expertise on certain essential standards and whose expertise could be extended to cover the verification of standardization options defined in advance at Community level),
- . creation of services responsible for the verification of conformity with standards.

Some examples of Europe's technological decline1. Share of the world market in electrical and electronic equipment (excl. intra-Community trade)

(%)	1978	1981
JAPAN	22.9	26.8
USA	22.6	23.9
EEC	29.8	22.9

2. Production

(Number)	Developed robots (1981)	Manufacturing centres (1980)
JAPAN	11.000	5.231
USA	8.130 ¹	2.129 ²
EEC	4.017 ¹	1.459 ²

¹ Four major countries

² Europe

3. Turnover of world's twelve biggest producers in 1980

('000, million \$)	Integrated circuits	EDP (management and production)
USA	4.6	35.6
JAPAN	0.8	1.7
EEC	0.4	4.3

Source: Albert and Ball Report, 'Towards European Economic Recovery in the 1980s', European Parliament working document, page 78a

Excerpt from the
statement by the President of the Commission,
Mr Gaston THORN, to the European Parliament
on the Commission's programme for the current year

'It is true that as a result of the debate prompted by the Commission's various proposals the governments now recognize the need to make better use of Europe's potential dimension by encouraging cooperation between businesses, enlarging the internal market and integrating the financial markets; but years have been wasted by the Member States in trying to promote their national champions, exacerbating intra-Community rivalry instead of exploiting the complementary aspects of the Community countries, the better to take on external competition.

The European electronics industry is a case in point, to take but one example.'

Source, Verbatim report of proceedings, 15 February 1984, page 139
(Column 248).

Letter from the chairman to Mr Jacques MOREAU, chairman of the Committee on Economic and Monetary Affairs

Luxembourg, 6 March 1984

Dear Mr Moreau,

At its meeting of 1 March 1984 the committee which I have the honour to chair considered the proposal for a Council decision amending Decision 79/783/EEC in respect of general measures in the field of data processing (COM(83) 658 final), on which it was requested to deliver an opinion for your committee. After considering the proposal it adopted the following conclusions unanimously¹:

The Committee on Youth, Culture, Education, Information and Sport:

1. Supports as a whole the Commission proposal to the Council, since it is intended primarily to define the place of the multiannual programme in the Community effort to stimulate and underpin the new information technologies; in particular, shares the view that 'because of the size of the information technology market, the Community must also encourage the adoption of standards at international level and the uniform use of these international standards within its territory;'

¹ The following took part in the vote:

Mr BEUMER, chairman; Mr HAHN, vice-chairman; Mr ALEXIADIS, Mr ARFE, Mr BØGH, Mr FANTI, Mr MARCK (deputizing for Mr BROCK), Mr PAPAPIETRO (deputizing for Mr BUCCHINI), Mr SIMMONDS and Mrs VIEHOFF

2. Endorses the Commission's proposal to study, as part of the multiannual programme, 'gearing the educational system to industrial requirements'. However, the committee stresses that the programme must also take account of the needs of the individuals affected and of society as a whole.

Underlines the great importance of 'computer-assisted education' in preparing young people for the transition to working life and stresses the need to familiarize pupils with the new technologies in this context. The committee voices its great concern with regard to the social consequences of the introduction of these new technologies, particularly with regard to their adverse effect on employment, and especially the employment of young people.

3. Underlines the importance of supporting basic research, which is one of the features of the multiannual data-processing programme. In this regard it draws attention to the importance of cooperation between universities and national research institutes engaged in basic research, the results of which form the starting point for industrial research and development. In this context it refers to its report on higher education in the Community (Doc. 1-1351/83), which was adopted in committee on 25 January 1984.

Yours sincerely,

(sgd) Bouke BEUMER

EUROPEAN PARLIAMENT

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1983 - 1984

26 March 1984

DOCUMENT 1-1472/83/ANNEX 2

ANNEX 2

to the report by Mrs M.J. DESOUCHES

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

on the proposal from the Commission of the European
Communities to the Council (Doc. 1-1232/83 -
COM(83) 658 final) for a Decision amending Council
Decision 79/783/EEC in respect of general measures
in the field of data processing

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OPINION OF THE COMMITTEE ON BUDGETS

OPINION OF THE COMMITTEE ON BUDGETS

Letter of the chairman of the committee to Mr J. MOREAU,
chairman of the Committee on Economic and Monetary Affairs

Brussels, 22 March 1984

Subject: Proposal for a Council Decision amending Council Decision 79/783/EEC
in respect of general measures in the field of data processing
(COM (83) 658)

Dear Mr Moreau,

The Committee on Budgets recently¹ discussed this proposal², which extends that part of the 1979-83 data processing programme dealing with "general measures". Parliament gave its opinion in April 1983 on a proposal to extend the remaining part of the 1979-83 programme for three years, and in its resolution (OJ No. C 128/83), it questioned the wisdom of extending only one part of the programme; the present proposal corrects that deficiency and envisages expenditure of 24 mECU spread over three years.

Virtually all the appropriations for the 1979-83 programme (10 mECU for "general measures", 15 mECU for software and applications) were committed before the end of 1982 despite the admitted lack of progress on the "general measures" part. The 1984 Budget contains 22 mECU in commitments and 8 mECU in payments, both in the reserve chapter, and these should adequately cover the first-year costs of both parts of the extended programme.

The Commission was unable to devote much effort to the "general measures" of the 1979-83 programme, as witnessed by paragraph 1 of the Explanatory Statement of COM (83) 658 and the fact that many basic tasks of the earlier programme reappear in the proposed extension. It should be noted that the Commission has not reported on the obstacles it encountered in implementing the "general measures" of the earlier programme, as Parliament specifically requested it to do in paragraph 8 of its resolution of 15 April 1983 (OJ No. C 128/83).

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At its meeting of 22 March 1984

2 See overleaf for list of those present

In addition, the Committee on Budgets notes once again that the Commission has presented a programme which does not correspond to the 1984-87 period envisaged by the framework programme for Community research. This tendency undermines the value of the framework programme as a focus for strategic debate.

The Committee on Budgets asks the Committee on Economic and Monetary Affairs to take account of the above observation in its draft report. Subject to that and the staff allocated to its programme remaining on temporary contracts (5 A - compared with 3 A previously - plus 1 B and 2 C), it can agree to the draft decision.

Yours sincerely,



Erwin LANGE

The following were present: Mr Lange, chairman; Mr Notenboom, vice-chairman; Mrs Barbarella, vice-chairman; Mr Abens, Mr Gouthier, Mr Helms (deputizing for Mr Konrad Schön), Mr Kellett-Bowman, Mr Langes, Mr Louwes, Mr Nikolaou and Mr Pfennig

