## YEAR 2000

IS THERE A 'VACCINE' FOR THE MILLENIUM BUG?

With the end of the century now 17 months away, the Year 2000 software issue is receiving an ever-increasing amount of attention from governments and businesses across Europe.

The Year 2000 bug has sparked such a high level of preoccupation because it can potentially affect every aspect of our practical and economic lives ranging from traffic lights and tax forms, to air traffic control, financial data, electronic money, and public administrations' computerised information, or even life-support machines in hospitals.
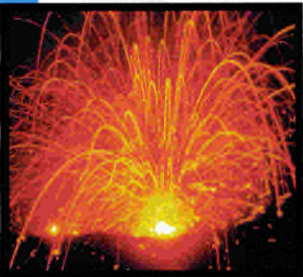
The core of the problem, specialists fear, is that when the last two digits of the date change to 00 as the new century ticks in, computers will recognise these as the year 1900, and data may be lost, altered or in the worse case computers will cease to work.

Aside from the IT challenge of identifying and weeding out the causes of the bug in governmental and business computer systems, probably the biggest challenge for many administrations and companies is that this comes at the same time as the changeover to the euro which requires a similar in-depth revamp of computer systems.

As an indication, Euroclear, the European electronic securities clearing system, has announced that it will be spending $40 million on systems analysis, software modifications and testing for the Year 2000, and the same amount to ensure euro conformity. Clearly, no industry can afford to leave these fluctuations to chance.

Players in the private and public sectors have launched their 'IT' offensive on the Year 2000 question many of them as long ago as last year. To support these efforts, the European Commission has set a series of priority actions that it will implement. This process was defined in its Communication on the Year 2000 last February, where a list of special initiatives was announced.

There may be no vaccine for the Millennium Bug, but the European Commission has been making efforts for the past twelve months to ensure a maximum of coordination and information exchange between countries.

Year 2000 Initiatives

The initiatives announced by the Commission in its Communication on the Year 2000 Computer Problem adopted in February include:

Encouraging the exchange of information and best practices across the European Union, among Year 2000 initiatives of Member States and European associations.

A network has been created, composed of officials in EU Member States and representatives of key European associations. These 'information multipliers' meet at regular intervals to exchange views and review progress. The last meeting took place on 30 March and was followed by a Presidency event in London on 8 May limited to Member States. The next event is scheduled on 22-23 September in Brussels.

Liasing with European and international organisations regulating or supervising infrastructural sectors with significant cross-border effects (finance, telecommunications, energy, transportation, etc.).

The Commission has attended the Basle Round Table of Financial Supervisors on 8 April and established links with both the Joint Year 2000 Council and the Global 2000 Coordinating Group. In the telecom sector, the services are liasing with the International Telecommunications Union Year 2000 Task Force. In the air transport sector, Commission specialists have attended the Year 2000 workshops organised by Eurocontrol in March and June and are undertaking discussions on the Year 2000 with IATA, ICAO and ECAC. In the energy sector, initial contacts have been made with both Eurelectric/Unipede and UCPTE. Most of these organisations will join the 22-23 September workshop.

Raising the political visibility of the Year 2000 issue by supporting discussion in several EU Council meetings and in dialogue with third countries.

The Year 2000 was discussed at Telecom, Internal Market and Industry EU

FRENCH VICTORY FOR THE INFORMATION SOCIETY AT WORLD CUP 98.

From the heart of the International Media Centre (CIM) in Paris, Philippe Verveer Director of Information Technologies for the French Organising Committee (CFO) running the soccer World Cup 98 was at the centre of an Information Revolution. Electronic information services were used as never before at France 98.
IS News caught up with Verveer after the French victory to see just how the Information Society had revolutionised the single largest sporting event of all time.

What resources did you call on to ensure the communications and media needs for World Cup '98?
Our intention was not to organise a high-tech World Cup, but to do everything in our power to hold the best World Cup ever thanks to technology. It was a joint effort shouldered by the media: print press, radio/TV, and international Information Technology (IT) specialists. France Telecom provided the telecommunications services and EDS delivered integrated information technologies; Sybase was responsible for software, and the computer systems, networks and e-mail facilities were supplied by Hewlett Packard. The hardware used was 2000 PCs, 120 servers, and 600 printers... and that's just the tip of the iceberg.

What was the advantage of using this level of technology? Could things not be done as they have been in the past?
The mass media has changed dramatically in the past four years. So have peoples' viewing habits and what they expect. So the technology was not used as a 'gimmick' but to answer a real demand – by the media and the fans we served. Mondial 98 in France revolved around eleven press centres, one located in each of the match playing cities. The CIM was the hub serving all media including Internet and television channels, who were themselves owners of the sports images.

In terms of manpower, what was the scope of the project?
650 permanent employees were fielded from the organisation. 150 computer engineers were provided by the technology partners, in charge of the information systems which delivered data round the clock. In addition to this, the logistics effort of World Cup '98 was staffed by some 12,000 volunteers, recruited from a list of 20,000 sports fans that applied.

In Information Society terms what was new with World Cup 98?
Job creation, to begin with. The big innovation was electronic commerce over the Internet. A 'global store' was created, backed by the expertise of French mail order firm Les 3 Suisses, which guaranteed cyber-order delivery anywhere in the world in less than five days. Complete transaction security was ensured by Les 3 Suisses, in association with Hewlett Packard electronic payments and communications management specialists.

For the utmost security, World Cup informatics was divided into two sectors: Internet activities broadcasting to the outside world and an Intranet used to service internal information requirements. The official France 98 web site (www.france98.com) gave the world instant access to information on the Cup. 'Cyber spectators' accessed match scores and information in real time, at the same time as reporters who had travelled to France from all corners of the globe to provide media coverage. This is what we call an information revolution. By opening technology to everyone that wants it we have accelerated the uptake of sport and pushed youngsters to play football. Thanks to competition, the price of computers is falling and with new user-friendly interfaces you don't have to be an expert to be able to use the systems to find whatever information you want anymore. This is what I mean when I say that we are serving the real demand, and the new direct transmission which Internet has made possible.

So, is Internet the super medium? Thanks to World Cup 98 the Internet has proved its strength and efficiency in a very practical way. EDS, one of our sponsor partners, recorded 1.2 billions of 'hits' during the World Cup, with a daily record of 74 million hits from some 170 countries that were listed. Why do so many Americans visit the World Cup via the Internet? The Hispanic and Black communities of America, followed by the Japanese, are passionate football lovers as well as being the most wired nations in the world. But Europeans, such as the French, Germans and the British – not to mention Scandinavia – are closing this gap. World Cup 2002, located simultaneously in Japan and across the water in South Korea will surely take another leap forward – in electronic communications, and in innovative multimedia solutions. It will be interesting to see how rapidly the Information Society evolves in the coming four years. ■

INDIRECT TAXATION AND ELECTRONIC COMMERCE: NEW EU GUIDELINES

The European Commission has taken a decisive step towards addressing the issue of indirect taxation on electronic commerce transactions, with its recent Communication to Council which contains a comprehensive set of guidelines The guidelines are designed to ensure that taxation is simple, neutral, that it avoids market distortion and encourages the growth of electronic commerce. An important aim of these proposals is to exclude new taxes on electronic services. The Council on July 6 noted the Communication and agreed a number of principles to form the basis of a consistent European Union contribution to the OECD Ministerial Conference in Ottawa this coming October.

"Electronic commerce is only in its early stages, but its development could soon become a major source of growth and job creation" comments EU Tax Commissioner, Mario Monti. "We need to find solutions, to be sure that the tax system does not impede the development of this highly promising sector," he says.

In summary the principles agreed by Council are:

No new taxes
Existing taxes, specifically VAT, should be adapted without introducing any new taxes.

Products supplied by electronic means are to be treated as services
EU VAT legislation draws a basic distinction between the supply of goods and the provision of services. When electronic commerce involves the supply of products via electronic transmission, they are considered for VAT purposes to be the provision of services.

Ensuring a level competitive playing field
Current EU VAT legislation needs to be adapted so that services are taxed within the Union when they are supplied for the purpose of being consumed there. Where services are provided from within the EU for consumption outside it, there should be no tax, and input VAT must be deductible. Rules should ensure neutrality in relation to other forms of commerce.

Simple, easy compliance
Tax systems should be created which are compatible with commercial practice and are simple and easy to use. This can be achieved by international consensus and through cooperation with business. They must also be capable of controlling and preventing abuse. Businesses should be able to discharge their tax obligations by means of electronic VAT returns and accounting. ■

The Communication (COM(98)374 final of 17/6/98) can be downloaded in different language versions from http://www.ispo.cec.be/ecommerce/legal.htm

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Councils. The Cardiff summit conclusions highlight the importance of the issue. For third countries, discussions are taking place in the context of the G8, with Afro-Caribbean Pacific (ACP) Countries, with the OECD and the World Bank.

Discussing the issue with all the relevant consultative groups within the European Commission.

Tracking and reporting of efforts and progress in Member States.
As requested by the Cardiff summit, a first report is being prepared on the progress of Member States in public administrations and infrastructural sectors, as well as any awareness or other measures directed towards the private sector and consumers.

Creating a World-Wide Web site on the Year 2000 and the IT impact of the euro.
This has been established on the ISPO server in December 1997 and has rapidly grown to half a million hits per month. It is widely regarded as one of the best information resources on the two subjects in Europe and was recently voted best government site of the Year 2000 by the *Wall Street Journal*. ■

COMMISSION YEAR 2000 WEB SITE VOTED 'BEST SITE'

The European Commission's Internet site on the Year 2000 problem has received highest marks as it was chosen 'Best Government Web Site' by the *Wall Street Journal Europe*, the American financial daily newspaper.
This site, created and managed by the RTD Programme on Information Technology (esprit) of the European Commission Directorate General III (Industry) last December, rapidly reached the half-million hits per month mark by attracting visitors from companies and public administrations interested in sharing experiences, or finding clues to solve their 'Y2K' problems. The site offers information on both the Year 2000 and the euro.
Describing the site's advantages, The *Wall Street Journal* highlighted the extensive contents, information on legal and accounting aspects of Y2K, and guidelines for contingency planning. Reviewers found the site's sections on specific sectors particularly useful, and said that the links provided here are 'second to none for Europe'. ■

Judge for yourself. Put the site to your test, by pointing your browser to the award-winning http://www.ispo.cec.be/y2keuro

CALL FOR PROPOSALS: BRINGING BUSINESS INTO THE INFORMATION SOCIETY

Deadline for proposals: 14 September, 1998

Improving the competitiveness and innovation capacity of small and medium-sized enterprises (SMEs) and attracting the interest of business decision makers in the Information Society are the goals of this recent European Commission Call for Proposals (published in the *Official Journal* C236 of 28/7/98) Under the theme: *Promoting Information Society in Europe: optimisation of the socio-economic benefits of the Information Society*, the Commission is searching for proposals from regional organisations and business centres that can help bring practical experience of the benefits of the Information Society to the business community across Europe. The Call is divided into two parts. The first, *From regional awareness to trans-national partnerships*, focuses on building awareness among smaller companies. Part two is entitled: *Best use of IT - Networking initiative for business executives.*

From regional awareness to trans-national partnerships: the Area Agents

This initiative aims to help companies, particularly SMEs from a number of economic sectors to achieve sustained economic development. "Area Agents" will be selected, that are capable of successfully translating Information Society concepts into companiesí strategies and day-to-day operation. These activities will lead to the identification, detailed specification and planned implementation of Information Society services and applications. They will achieve objectives such as:

- Helping companies achieve critical mass for efficient market access.
- Assisting the sector in the establishment of cooperative research and development facilities.
- Make it possible for companies and administrations to cut red tape, streamline communications between companies and administrations, drawing down financial and administrative overheads.
- Increase production flexibility.
- Enable product and process innovation.
- Shortening development and marketing periods.

The Call is looking to identify actors capable of achieving these goals at either the local, regional, national or trans-national level. The structures which proposers create should take account of this local/global dimension of each particular objective

Best use of IT - Networking initiative for business executives

Proposals for this part of the Call must help improve the competitive strength of European industry in the emerging ëimmaterial economyí. They will implement awareness actions aimed at business managers and decision makers.

This initiative's three main objectives are to:

- Raise the awareness of business executives in the area of IT benefits and make them rethink the relationship between business performance and information technology.
- Facilitate the use of new information technology by industrial managers to encourage business transformation.
- Promote the sharing of experiences and the cross-fertilisation of best practice through a knowledge and information-sharing network. ■

The information package is available from the ISPO secretariat (contact details on page 4 of this newsletter) or can be downloaded from http://www.ispo.cec.be/ promise/

A GLOBAL BUSINESS DIALOGUE ON OBSTACLES/POTENTIAL FOR ON-LINE ECONOMY

What are the most urgent obstacles to a smoothly functioning global on-line economy?

How can they best be removed?

How can companies and governments best coordinate their efforts so that they can respond rapidly and effectively to new challenges?

These key points were at the core of discussions at the special Business Round Table on Global Communications held on 29 June in Brussels. The discussion was convened by Martin Bangemann, the European Commissioner responsible for Industry and the Information Society. Companies from the EU, North America, Japan, Australia, Africa, Japan and Eastern Europe participated in the meeting, which brought together 67 business leaders.

Participants agreed that there is a need for strengthened dialogue and coordination between the public and private sectors because conflicting policies, rules and regulations are an obstacle to the realisation of the economic, social, and cultural benefits of the on-line economy. The most urgent issues identified by industry are taxation, tariffs, intellectual property rights, encryption, authentication, data protection and liability. The background industry papers, plus the conclusions of the meeting are available on the ISPO website (http://www.ispo.cec.be/eif/policy/).

With a view to establishing closer cooperation at a global level, the attendees announced that they will take the initiative to set in motion a new Global Business Dialogue (GBD) on issues related to the on-line economy. The business leaders have proposed to set up a Business Steering Committee which should prepare the first conference of the Global Business Dialogue, to occur in the first half of 1999. It was proposed that the Steering Committee, should have its first meeting in September 1998. ■

PREPARING LOCAL AND REGIONAL OFFICIALS FOR 'IS'

Summer course, Alicante, 21-24 September

The second annual Summer School on the Information Society and Telecommunications (IS&T) will take place in Alicante, Spain on 21-24 September, 1998. The course is aimed at officials of regional and national administrations, consultants, academics and researchers from the European Union and Central and Eastern Europe that are interested in Creating Strategies and Plans for the development of:

- Telecommunications and Information Society applications.
- Evaluating the influence of Telecommunications on Territorial and City Planning.
- Developing Structural Actions focused on Social and Economic Cohesion.
- Promoting of Information Society and Telecommunications in the European Regions.

The programme topics include:

- Open competition in the European telecom sector and its consequences for the development of the Information Society.
- Telecom infrastructure and its effects on the development of Regional IS&T Strategies.
- Social and Economic objectives of Regional IS&T Strategies.
- Agenda 2000 and the development of the Telecommunications and the Information Society.
- Exchange of experience in developing Regional IS&T Strategies for future EU members.
- Analysis of the evolution of EU policy on Telecommunications, Information Society and Cohesion.

Courses will be held in Spanish and English. Registration costs 1,000 ECU. ■

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INFORMATION SOCIETY NEWS

'IS' STRATEGIES FOR CITIES AND TOWNS

European Local Governments and Regions:
Strategic Planning and deployment of the Information Society, Brussels, 22-23 October 1998

The Council of European Municipalities and Regions is organising a strategic planning conference on the Information Society specifically for local and regional governments. It will be held at the European Parliament in Brussels.

This event will bring together mayors, decision-makers and experts in telematics at the local and regional level to elaborate strategic approaches and address the challenges of the Information Society. The conference will address the question of the strategic planning required to introduce and use Information and Communication Technologies in larger cities, and smaller towns and rural areas.

Day 1 will examine examples of best practice, and success stories of electronic services created by cities and towns. The second day will address issues related to Information Society planning at the local and regional level. This will be done in a discussion between high-level EU officials, Mayors and planning experts.

Key questions addressed will be:
- How should local administrations prepare for the Information Society and adapt to improvements in technology and services?
- What kind of new services should be provided or initiated by the local government?
- What impact does ICT have on the competitiveness of local SMEs within a global context?
- What role can local governments play?
- How can applications be developed in close cooperation with the private sector?
- What approach should be taken to ICT service development in areas or places where the private sector is weak?
- What instruments could be implemented to develop the necessary citizen participation and initiatives?
- What is the best way to learn from the experiences of other European local and regional authorities and develop joint projects?

The conference languages will be English, French, German and a fourth language to be determined. ■

For further information, please contact the conference secretariat:
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http://www.elanet.org/eisco

ISPO INVITES THE MEDIA TO LISBON

1999 IS Day campaign stars at EU Pavilion EXPO 98, 15 September 1998

The Information Society Project Office is building a partnership with the European media. It is being done through a series of events to raise citizens' awareness of the new opportunities that the Information Society can bring to their everyday lives.

The campaign started at the audio-visual trade fair, the Cannes MIP TV Festival, and will culminate with the organisation of a European Information Society (IS) Day in the spring of 1999. The main

event will take place in a Central European city, linked with smaller events running simultaneously in cities and regions across Europe.

The next event in this series is the ISPO conference at the EXPO '98 EU Pavillon in Lisbon on 15 September. At this meeting representatives of the media can discuss and discover the IS Day Europe '99 project. ■

To find out more about the programme of the event, point your browser to:
http://www.ispo.cec.be

All members of the press and media organisations are welcome.
To participate, please contact the ISPO secretariat
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CALENDAR

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Infocity@Bristol 98
Bristol (UK)
11-12 September 1998
Tel: +44 117 9415889
e-mail: pw@presswise.org.uk

Second European Conference on Research and Advanced Technology for Digital Libraries
Heraklion (GR)
21-23 September 1998
Tel: +30 81 393504
Fax: +30 81 393501
e-mail: ecdl@cc.uch.gr
www.ics.forth.gr/2EuroDL

2nd European Summer School on Regional Policy of IS and Telecommunication
Alicante (E)
21-24 September 1998
Fundacion OVSI
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http://www.ovsi.com/school

2nd International Forum on IS Technologies "Communities of users"
Nice (F)
12-13 October 1998
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European Local Governments and Regions: strategic planning and deployment of the IS
Brussels (B)
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Online Educa Berlin
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2-4 December 1998
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Italy	1678 76790
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