

Opinion of the Economic and Social Committee on the 'Proposal for a Decision of the European Parliament and of the Council revising Annex I of Decision 1336/97/EC on a series of guidelines for trans-European telecommunications networks'

(COM(2001) 742 final — 2001/0296 (COD))

(2002/C 221/07)

On 18 January 2002 the Council decided to consult the Economic and Social Committee, under Article 156 of the Treaty establishing the European Community, on the above-mentioned proposal.

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 30 April 2002. The rapporteur was Mr Retureau.

At its 391st plenary session held on 29 and 30 May 2002 (meeting of 29 May) the Economic and Social Committee adopted the following opinion unanimously.

1. Presentation of the TEN-Telecom programme

1.1. The TEN-Telecom programme concerns public services, especially in spheres where Europe has a competitive advantage. The aim is to accelerate the implementation of services in order to promote the European social model, i.e. a society characterised by cohesion and social inclusion.

1.2. This programme is part of the e-Europe initiative to realise an 'information society for all'. To this end it is designed to promote services of public interest which will help prevent the opening of a 'digital divide' and promote participation of all citizens in the information society.

1.3. The programme provides for assistance before the critical phase of launching a new service, so that the private or public investors concerned can take informed decisions in advance, e.g. on the basis of a financial assessment. During the initial phase, i.e. the commercial and budgetary assessment, up to 50 % of the anticipated costs of the projects selected can be funded through the programme. During the actual launch phase of the project, up to 10 % of the investment needed to get the service up and running can be provided.

1.4. TEN-Telecom can also play a role in cohesion policy, helping ensure that public authorities and other players concerned make services accessible to users at risk of marginalisation (people with physical disabilities, people who are socially marginalized, belong to disadvantaged groups or live in remote or sparsely populated areas, etc.).

1.5. The purpose of TEN-Telecom is thus to help move services of public interest from the planning stage to the operational stage.

1.6. The Committee has been asked to give an opinion on the Commission's three-yearly report on the progress and effectiveness of the programme⁽¹⁾, as well as the proposed changes to Annex I of Decision 1336/97/EC⁽²⁾.

1.7. The Committee has already issued a number of opinions on policies and programmes relating to the information society and telecommunications, and on funding likely to be made available to develop these, including the decision on TEN-Telecom mentioned above. Two new opinions are also currently being prepared by the TEN section on issues relating to the area likely to be covered by TEN-Telecom measures⁽³⁾. There is therefore no point in discussing once again the policies and guidelines relating to issues addressed in these

⁽¹⁾ Report on the implementation of Decision 1336/97/EC on a series of guidelines for trans-European telecommunications networks, Brussels 10.12.2001, COM(2001) 742 final (2001/0296 (COD)) presented by the Commission.

⁽²⁾ Decision of the European Parliament and of the Council revising Annex I of Decision 1336/97/EC on a series of guidelines for trans-European telecommunications networks (same reference as the above-mentioned report).

⁽³⁾ ESC opinion on the Proposal for a Council Regulation (EC) laying down general rules for the granting of Community financial aid in the field of trans-European networks (COM(94) 62 final — 94/0065 SYN). OJ C 195, 18.7.1994.

ESC opinion on Towards the Information Society — Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on a methodology for the implementation of information society applications; Proposal for a European Parliament and Council Decision on a series of guidelines for trans-European telecommunications networks (COM(95) 224 final). OJ C 39, 12.2.1996.

ESC opinion CES 524/2002 of 25 April 2002 on Extension of the trans-European networks to the island regions of Europe (own-initiative opinion).

ESC opinion 347/2002 on the Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2236/95 laying down general rules for granting of Community financial aid in the field of trans-European networks (COM(2001) 545 final — 2001/0226 (COD)).

previous opinions, or in pre-empting the final content of the opinions in preparation. The institutions concerned are asked to take these into consideration as background to the analysis and recommendations that follow on the two subjects of this opinion: the Commission report and the revisions to Annex I of the above-mentioned decision.

2. The Commission's proposals

2.1. *Three-yearly report on the TEN-Telecom programme — description and assessment of the programme*

2.1.1. The Commission's report looks at how the programme has worked over the past three years, and considers an interim assessment of the programme by an independent external consultant and the Court of Auditors' Special Report No 9/2000 on TEN-Telecoms⁽¹⁾.

2.1.2. The aim of the programme is to promote an information society open to everybody. It provides funding for a certain number of strategic areas, organised on three levels (applications, generic services and basic networks), as defined in Annex I, and supports services of public interest that are not in competition with commercial services.

2.1.3. For the period 1998-2000 (three years) the budget was EUR 92,8 million, almost half of which was for the third year. There was a substantial time lag between commitments and payments, and active steps must be taken to rectify this.

2.1.4. Eligible projects are selected on the basis of calls for proposals for specific areas. The first call was at the level of 'basic networks'; the next calls were at the level of generic services and applications, and in 1998 a supplementary rolling call was issued for coordination and support actions.

2.1.5. External evaluators help the programme staff to evaluate projects put forward. The procedure for evaluating and assessing projects is undergoing revision owing to criticism voiced about the short deadlines for studying proposals, the general nature of certain evaluation criteria and the risk of projects falling between areas being at a disadvantage.

2.1.6. Half of the programme participants are from private companies, some representing large high-technology companies in the telecoms and IT sectors. 57 % are SMEs. Almost half of the projects also benefit from other sources of Community funding. The majority of participants consider financial aid received to have been a decisive factor in launching the project.

2.1.7. Most of the proposals concern the technical and commercial feasibility and validation of projects, which are eligible for 50 % funding, as opposed to 10 % for deployment, while support actions submitted in 1998 receive 100 % funding.

2.1.8. Although the technical quality of projects selected has generally been satisfactory, the business plans have been rather weak in a number of areas. However, the technical assessment of the projects shows that they are having a significant impact on the launch of the e-Europe initiative⁽²⁾. They really are facilitating the transition to an information society for all, which is the objective of the programme. However, the assessments show that efforts should be better targeted and tightened up.

2.1.9. The Court of Auditors emphasises especially the need to avoid overlaps with the Research Framework Programme and other sources of Community funding, and to adopt more rigorous procedures for monitoring the projects.

2.1.10. The external evaluation recommended that marketing of the programme be stepped up and noted the low number of deployment projects funded under the programme.

2.2. *Future measures proposed by the Commission*

2.2.1. The Commission proposes the following measures:

- a) increasing the number of deployment projects on the basis of a number of initiatives;
- b) reducing the cost of entering the evaluation phase by applying a two-stage procedure, with preliminary selection of projects based on a brief presentation followed by a complete presentation of the projects selected;
- c) fixing in advance the timetable for calls for proposals and increasing the frequency of calls;
- d) reducing to nine months the time between publishing a call and signing a contract;

⁽¹⁾ Court of Auditors Special Report No 9/2000 concerning trans-European networks (TEN) — telecommunications, accompanied by the Commission's replies, OJ C 166, 15.6.2000.

⁽²⁾ See ESC opinion on eEurope 2002 — An information society for all — Draft Action Plan (COM(2000) 330 final), OJ C 123, 25.4.2001.

- e) raising the maximum level of support from 10 % to 20 % in cases where projects are intended to establish trans-European services;
- f) testing a contract that combines the two types of activities receiving support — technical and commercial feasibility and validation on the one hand and deployment on the other — to avoid delays in implementing projects;
- g) increasing the number of projects involving public administrations

In the context of the information society for all, the aim will be to promote projects relating to innovative systems and services in order to enhance the accessibility and efficiency of public administration at every level;

- h) interconnection and interoperability of networks

This support would replace more general assistance provided for basic networks by promoting the interconnection and interoperability which are essential for the functioning of services of public interest;

- i) coordination with other actors

Complementarity with other programmes (IST pilot actions and take-up measures) to ensure an optimum synergistic effect.

An effort will be made to coordinate with other relevant players in the Commission through inter-programme groups, e.g. the other TEN programmes, the Structural Funds, the Competitive and Sustainable Growth programme, the IDA programme and the Socrates programme, in order to avoid overlaps and develop synergies.

More active coordination with the EIB in particular should allow co-financing of projects. A working group will be proposed under the Innovation 2000 initiative based on common ground in areas such as 'New information and communications technology networks' and 'Diffusion of Innovation';

- j) Programme administration and project monitoring.

2.2.2. Project monitoring procedures will be tightened and clearer guidelines on allowable costs will be provided. Project selection procedures will be simplified.

- a) There will be more on-site technical and financial audits in order to avoid irregularities such as those noted by the Court of Auditors, and deployment projects will be considered at an early stage, before substantial resources have been committed.
- b) Precise definitions will be given and distinctions drawn between different types of costs.
- c) Evaluations will be carried out by user groups in deployment projects.

- d) There will be an obligation to provide feedback on results achieved after the period of Community support has ended.

- e) Applicant countries will take part.

The provision covering participation of these countries under the planned package will be revised in order to increase their involvement in the programme.

- f) Establishment of a clear profile

The initiative will be more clearly defined and presented, and its title will be more precise (e-TEN) in order to bring it within the scope of the e-Europe initiative. The number of areas concerned will be reduced from 18 to seven (revision of Annex I).

- g) Communication

Communication relating to the programme will be stepped up, and the public authorities, NGOs and associated commercial parties providing services of public interest will be consulted in the framework of a more forward-looking strategy. A clear and simplified guide will be published for proposers.

2.3. Proposed revision of Annex I

2.3.1. The explanatory memorandum essentially summarises the report (focus, elimination of duplication and funding overlaps, reducing the number of areas, increasing funding for trans-European deployments, emphasis on the trans-European dimension, distinction between e-TEN and IST (information society technologies) to promote innovative services of general interest — both those provided by the public sector and those provided by public-private partnerships — and targeted support for interconnection and interoperability of networks).

2.3.2. The explanatory memorandum also discusses two issues that are important for the future direction of the programme:

- taking into account the new area of mobile services and the multimedia dimension;
- the emphasis on network security policy, in line with the policy being developed by the Commission in this sphere⁽¹⁾ in order to promote confidence and intra-European cooperation, including specific proposals for setting up networks.

2.3.3. The comitology procedure will be adapted in accordance with Declaration No 2 of the Council and Commission concerning Council Decision 1999/468/EC, and Article 8(2) will thus be amended to introduce the regulatory procedure.

⁽¹⁾ See ESC opinion on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on network and information security: proposal for a European policy approach (COM(2001) 298 final), OJ C 48, 21.2.2002.

2.3.4. Annex I then identifies the projects of common interest covered by the programme. The general section recapitulates the ideas set out in the report on the structure of the programme, and recalls the coherent structure based on three levels of e-TEN: applications, generic services, interconnection and interoperability of networks.

2.3.4.1. Priorities for applications

- online government and administration;
- health;
- disabled and elderly;
- learning and culture.

2.3.4.2. Priorities for generic services

- advanced mobile services (location-based, personalised and context-sensitive services), navigation and guidance, traffic and travel information, network security and billing, m-commerce, m-business, mobile work, learning and culture, health and emergency services;
- trust and confidence services: security is a major challenge for the future of networks, and support for services of general interest concerns all aspects of security, including cooperation for effective networking within the EU on national CERT systems.

2.3.4.3. Priorities for interconnection and interoperability of networks

- interconnection and interoperability are a prerequisite for effective trans-European services;
- projects concerning the development and enhancement of telecommunications networks will receive particular scrutiny to ensure that there is no interference with free market conditions.

2.3.4.4. Supplementary support and co-ordination actions

These concern the provision of an appropriate environment for realising the projects, enhancing programme awareness, achieving consensus on stimulating and promoting new applications and services, in conjunction with programmes from other areas, and developing broad-band networks, including:

- strategic studies on new specifications in order to promote good investment decisions;
- establishment of common specifications based on European and world standards;

- stepped up cooperation with players in the sector, e.g. public-private partnerships;
- coordination of activities promoted by the decision and related Community and national programmes.

3. General comments

3.1. *The Committee's comments on the report*

3.1.1. The Committee welcomes the greater emphasis of the programme on access for all to the information society, especially to better meet the needs of citizens and SMEs.

3.1.2. It believes that developing synergies with other programmes relating to the TENs will increase the effectiveness of measures while avoiding waste of money and effort.

3.1.3. The Committee encourages the effort to make communication more targeted and efficient in order to generate applications that meet the social objectives of the programme, and agrees with changing the acronym to e-TEN, thus linking the programme simultaneously to the TENs as a whole and to the e-Europe initiative.

3.1.4. Finally, the Committee welcomes the programme's emphasis on public services and developing cooperation with players involved in providing services of general interest (SGIs), on the understanding that the programme will endeavour to prioritise the services that are of greatest social interest.

3.2. *Comments on the proposed changes to Annex I*

3.2.1. The Committee fully supports the emphasis on security, interoperability and interconnection of networks in conjunction with the effort to develop European and global specifications; also the link between generic services that are to be developed and realisation of an information and knowledge-based society which everybody has equal opportunities to access and use, regardless of any physical disability or difficulty, with a sustainable development dimension in respect of navigation and guidance systems that can substantially improve TEN transport logistics and encourage multimodality; and all the other priorities and objectives of the programme.

3.2.2. The Committee also fully supports the procedure for regulating and extending financing in two directions (deployment and applicant countries).

4. Specific comments

4.1. The programme was launched before the internet explosion, and the development and potential of the internet as a tool must be borne in mind, as well as developments in mobile telephony, which is entering a new generation. The multimedia character of content must also be taken into account. To allow access to richer and more varied content, high-speed internet access must be considered an imperative and form part of the service of general interest in the field of communications.

4.2. It is also important to promote access to NICT⁽¹⁾ for people who are still excluded owing to disability, age, unfavourable socio-economic situation or geographical isolation or distance (islands, peripheral regions). Projects should promote use of the WAI code⁽²⁾. Priority should be given to projects that answer these needs.

4.3. Local and regional, professional, health, education and training organisations should be enabled to participate in projects and to make proposals with a view to meeting the requirements of their members or users. The information and knowledge-based society must not leave anybody behind, and efforts should focus on access for all to knowledge, initial and

(1) New information and communication technologies.

(2) See ESC opinion on Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on eEurope 2002: Accessibility of Public Web Sites and their Content (COM(2001) 529 final, OJ C 94, 18.4.2002).

continuing training programmes for employees, entrepreneurs and civil servants. Particular attention should be paid to integrating people who have difficulty accessing new technologies.

4.4. At the same time, links between NICT and territorial and local development policy should be strengthened, with the aim of achieving cohesion and sustainable development, and to combat depopulation in certain regions, such as upland areas, ultra-peripheral or isolated regions. Thus cohesion and the needs of disabled or elderly people should be among the main criteria used to evaluate projects.

4.5. Questions of network security and protection of personal or sensitive data in the spheres of e-administration, particularly in the framework of the IDA II programme⁽³⁾ for the exchange of documents between the administrations of the Member States, health and social protection must also play an important role in relevant programmes, especially after the events of 11 September and with the threat of cyber-terrorism from various sources.

(3) Proposal for a Decision of the European Parliament and of the Council amending Decision 1719/1999/EC on a series of guidelines, including the identification of projects of common interest, for trans-European networks for the electronic interchange of data between administrations (IDA) and the Proposal for a Decision of the European Parliament and of the Council amending Decision No 1720/1999/EC adopting a series of actions and measures in order to ensure interoperability of and access to trans-European networks for the electronic interchange of data between administrations (IDA) — (COM(2001) 507 final — 2001/0210 (COD) — 2001/0211 (COD)).

Brussels, 29 May 2002.

The President
of the Economic and Social Committee
Göke FRERICHS