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REPORT

on the proposal for a European Parliament and Council decision establishing a multiannual Community programme to make digital content in Europe more accessible, usable and exploitable
(COM(2004) 96 – C5-0082/2004 – 2004/0025(COD))

Committee on Industry, External Trade, Research and Energy

Rapporteur: W.G. van Velzen

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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PROCEDURAL PAGE

By letter of 13 February 2004 the Commission submitted to Parliament, pursuant to Articles 251(2) and 157(3) of the EC Treaty, the proposal for a European Parliament and Council decision establishing a multiannual Community programme to make digital content in Europe more accessible, usable and exploitable (COM(2004) 96 – 2004/0025(COD)).

At the sitting of 25 February 2004 the President of Parliament announced that he had referred the proposal to the Committee on Industry, External Trade, Research and Energy as the committee responsible and the Committee on Budgets, to the Committee on Legal Affairs and the Internal Market and to the Committee on Culture, Youth, Education, the Media and Sport for their opinions (C5-0082/2004).

The Committee on Industry, External Trade, Research and Energy had appointed W.G. van Velzen rapporteur at its meeting of 2 December 2003.

The committee considered the Commission proposal and draft report at its meeting of 6 April 2004.

At this meeting it adopted the draft legislative resolution by 39 votes to 4, with 1 abstention.

The following were present for the vote: Luis Berenguer Fuster (chairman, Peter Michael Mombaur (vice-chairman), Claude Turmes (vice-chairman), Gordon J. Adam (for Massimo Carraro), Konstantinos Alyssandrakis, Sir Robert Atkins, Danielle Auroi (for Nuala Ahern), María Antonia Avilés Perea (for Umberto Scapagnini pursuant to Rule 153(2)), María del Pilar Ayuso González (for Bashir Khanbhai), Ward Beysen (for Marco Cappato), Guido Bodrato, Giles Bryan Chichester, Nicholas Clegg, Benedetto Della Vedova (for Gian Paolo Gobbo), Marie-Françoise Duthu, Concepció Ferrer, Francesco Fiori (for Werner Langen), Neena Gill (for Harlem Désir), Norbert Glante, Alfred Gomolka (for Marjo Matikainen-Kallström), Michel Hansenne, Malcolm Harbour (for Elizabeth Montfort), Ka Meropi Kaldi (for Angelika Niebler), Hans Karlsson, Helmut Kuhne (for Erika Mann), Rolf Linkohr, Eryl Margaret McNally, Hans-Peter Martin (for Daniela Raschhofer), Ana Miranda de Lage, Josu Ortuondo Larrea (for Caroline Lucas), Reino Paasilinna, Samuli Pohjamo (for Willy C.E.H. De Clercq), John Purvis, Bernhard Rapkay (for Imelda Mary Read), Christian Foldberg Røvsing, Paul Rübig, Gilles Savary (for Mechtilde Rothe), Herman Schmid (for Marianne Eriksson pursuant to Rule 153(2)), Esko Olavi Seppänen, Paavo Väyrynen (for Colette Flesch pursuant to Rule 153(2)), Alejo Vidal-Quadras Roca, Dominique Vlasto, Sabine Zissener (for Godelieve Quisthoudt-Rowohl pursuant to Rule 153(2)) and Olga Zrihen Zaari.

The opinion of the Committee on Budgets is attached. The Committee on Legal Affairs and the Internal Market and the Committee on Culture, Youth, Education, the Media and Sport decided on 17 March 2004 and 16 March 2004 not to deliver an opinion.

The report was tabled on 6 April 2004.

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a European Parliament and Council decision establishing a multiannual Community programme to make digital content in Europe more accessible, usable and exploitable
(COM(2004) 96 – C5-0082/2004 – 2004/0025(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2004) 96)¹,
 - having regard to Articles 251(2) and 157(3) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C5-0082/2004),
 - having regard to Rule 67 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, External Trade, Research and Energy and the opinions of the Committee on Budgets and the Committee on Legal Affairs and the Internal Market (A5-0235/2004),
1. Approves the Commission proposal as amended;
 2. ***Considers that the financial statement of the Commission proposal for the period 2005-2006 is compatible with the ceiling of heading 3 of the current Financial Perspective without restricting other policies; the appropriations for the period 2007-2008 will be reassessed in the light of the new Financial Perspective for the period beyond 2006;***
 3. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
 4. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1
Recital 15 a (new)

(15a) digital content stakeholders refer to content providers (including organisations that create, collect or own digital content) and content users (including organisations and enterprises that are end-users, that re-use and/or add value to digital content).

¹ Not yet published in OJ.

Amendment 2
Article 1, paragraph 1, subparagraph 1

This Decision establishes a Community programme to make digital content in the Community more accessible, usable and exploitable, facilitating the creation and diffusion of information **and knowledge** – in areas of public interest – at Community level.

This Decision establishes a Community programme to make digital content in the Community more accessible, usable and exploitable, facilitating the creation and diffusion of information – in areas of public interest – at Community level.

Justification

Aims to clarify the text related to this specific objective.

Amendment 3
Article 1, paragraph 2, indent 1

- facilitating access to, **and** use and exploitation **of** digital content

- facilitating **at Community level** access to digital content **in areas of public interest**, its use and exploitation

Justification

Defines more clearly to what extent the acces, use and exploitation of digital content should be facilitated. Areas of public interest are for instance public sector information, learning content, scientific and scholarly content, and content from cultural institutions

Amendment 4
Article 1, paragraph 2, indent 2

– **improving** quality and facilitating best practice related to digital content

– facilitating **improvement of** quality and **enhancing** best practice related to digital content **between content providers and users, and across sectors in the areas of public interest**

Justification

Aims to clarify the text related to this specific objective

Amendment 5

Article 1, paragraph 2, indent 3

– reinforcing co-operation *and awareness*

– reinforcing co-operation *between digital content stakeholders*

Justification

Aims to clarify the text related to this specific objective.

Amendment 6
Article 5, paragraph 3

3. The Commission shall submit an evaluation report on the implementation of the lines of action referred to Article 1(2) to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions by January 2007 at the latest. The Commission shall submit a final evaluation report at the end of the Programme.

3. The Commission shall submit an evaluation report on the implementation of the lines of action referred to Article 1(2) to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions by January 2007 at the latest. ***In the context of this evaluation the Commission shall report on the consistency of the amount for 2007-2008 with the financial perspective. If applicable, the Commission shall take the necessary steps within the budgetary procedures for 2007-2008 to ensure the consistency of the annual appropriations with the financial perspective.*** The Commission shall submit a final evaluation report at the end of the Programme.

Amendment 7
Article 5, paragraph 3 a (new)

3a. The Commission shall forward the results of its quantitative and qualitative evaluations to the European Parliament and the Council together with any appropriate proposals for the amendment of this Decision. The results shall be forwarded before presentation of the draft general budget of the European Union for the year 2007 and 2009 respectively.

Amendment 8

Article 6, paragraph 1

1. The *Programme shall cover a period of four years from the* 1st of January 2005.

1. The *financial framework for the implementation of the Community action under this Decision for the period from 1st January 2005 to 31 December 2008 is hereby set at EUR 163 million, of which EUR 55,6 million is for the period until 31 December 2006.*

Amendment 9

Article 6, paragraph 1 a (new)

1a. For the period following 31 December 2006, the amount shall be deemed to be confirmed if it is consistent for this phase with the financial perspective in force for the period commencing in 2007.

Amendment 10

Article 6, paragraph 2

2. *The financial reference amount for the implementation of the Programme for the period referred in paragraph 1 shall be EUR 163 million.* The annual appropriation shall be authorised by the budgetary authority within the limits of the financial perspective. An indicative breakdown of expenditure is given in Annex III.

2. The annual appropriations *for the period from 2005 to 2008* shall be authorised by the budgetary authority within the limits of the financial perspective. An indicative breakdown of expenditure is given in Annex III.

Amendment 11

Annex I.1, paragraph 4

Three sets of measures are foreseen:

- Facilitating access to, use and exploitation *of* digital content
- *Improving* quality and facilitating best practice *for* digital content

Three sets of measures are foreseen:

- Facilitating *at Community level* access to digital content *in areas of public interest, its* use and exploitation
- Facilitating *improvement of* quality and *enhancing* best practice *related to* digital content *between content providers and users, across sectors in*

- Reinforcing co-operation *and awareness*.
- Reinforcing co-operation *between digital content stakeholders*.

Amendment 12
Annex I.2, paragraph 2.1, title

2.1. Facilitating access to, use and exploitation *of* digital content

2.1 Facilitating *at Community level* access to digital content *in areas of public interest, its* use and exploitation

Amendment 13
Annex I.2, paragraph 2.2, title

2.2. Improving quality and facilitating best practice related to digital content

2.2 Facilitating *improvement of* quality and *enhancing* best practice related to digital content *between content providers and users, and across sectors in the areas of public interest*

Amendment 14
Annex I.2, paragraph 2.3, title

2.3. Reinforcing co-operation *and awareness*

2.3 Reinforcing co-operation *between digital content stakeholders*

Amendment 15
Annex I.2, paragraph 2.3

The activities include measures accompanying relevant legislation relating to digital content, and supporting collaboration between public sector actors, *as well as awareness building among stakeholders and vis-à-vis potential users (including consumer organisations) of existing and upcoming products and services. They will support the development of benchmarking, monitoring and analysis tools, the impact assessment of the programme as well as the dissemination of results.* They will

The activities include measures accompanying relevant legislation relating to digital content, and supporting collaboration between public sector actors. They will identify and analyse emerging opportunities and problems (e.g. trust, quality marking, Intellectual Property Rights (IPR) in education), and propose, as appropriate, solutions.

identify and analyse emerging opportunities and problems (e.g. trust, quality marking, Intellectual Property Rights (IPR) in education), and propose, as appropriate, solutions.

Amendment 16
Annex III

Text proposed by the Commission

- | | | |
|----|--|-----------|
| 1) | Facilitating access to, <i>and</i> use and exploitation <i>of</i> digital content | 35 – 45 % |
| 2) | <i>Improving</i> quality and facilitating best practice related to digital content | 50 – 60 % |
| 3) | Reinforcing co-operation <i>and awareness</i> | 6 – 10 % |

Amendments by Parliament

- | | | |
|----|---|-----------|
| 1) | Facilitating <i>at Community level</i> access to digital content <i>in areas of public interest</i> , its use and exploitation | 35 – 45 % |
| 2) | Facilitating <i>improvement of</i> quality and <i>enhancing</i> best practice related to digital content <i>between content providers and users, and across sectors in the areas of public interest</i> | 50 – 60 % |
| 3) | Reinforcing co-operation <i>between digital content stakeholders</i> | 6 – 10 % |

EXPLANATORY STATEMENT

eContent is a market-oriented programme, which aims to support the production, use and distribution of European digital content and to promote linguistic and cultural diversity on the global networks.

The programme supports: Innovative and viable content projects involving multinational and cross-sector partnerships; Accompanying measures addressing best practice, concertation, awareness and dissemination; Market studies for visions, insight, challenges and opportunities.

Digital content players in Europe of all sizes, i.e. Content creators and owners in private and public sectors; Packagers and designers; Language and customisation players; Publishers and distributors; Net services companies; Rights trading actors; Capital market players; Experts and market enablers.

The first initiative in the field of eContent was the Decision for creating a "Multiannual Programme to stimulate the development and use of European digital content on the global networks and to promote linguistic diversity in the Information society - eContent. This programme followed the European Union eEurope initiative "An information society for all" launched by the Commission in December 1999.

Since the first eContent programme was launched, the digital content market has deeply changed. ICT markets slowed down in general, while technological deployment, development and innovation have continued and many sectors, such as the information market, are again seeing growth.

As a matter of fact, even if media convergence and the global reach of the Internet have turned digital content into a potentially lucrative asset, barrier remain to the full deployment of European content. In particular, barriers relating to the multiplicity of languages, cultures and practices of public administration and enterprises affect the establishment of cross border services in Europe based on digital content.

The eContent Programme therefore needs to be adjusted to a new reality. The Commission proposal for promoting eContent and the proposal for a eContent*plus* Programme aims namely to:

Facilitating access to European Digital Content

Improving quality by facilitating best practice related to digital content

Reinforcing co-operation and awareness between digital content stakeholders

The rapporteur acknowledges the importance of the objectives of the eContent programme as set out in the Commission proposal, but thinks the wording in some cases is too general. Hence, with his report, the Rapporteur wishes to clarify the objectives and in some cases limit the scope of the wording to for instance, *areas of public interest*, such as public sector information, learning content, scientific and scholarly content, and content from cultural institutions.

Furthermore, the rapporteur amends Article 5 on Monitoring and Evaluation to take into account the fact that the eContent programme extends beyond the current financial perspective and to enable full benefits to be drawn from the envisaged evaluations of the programme.

Article 6 on the Financial Provisions has been amended to better correspond to the text of the

Interinstitutional Agreement on budgetary discipline and improvement of budgetary procedure and to take into account the fact that the eContent programme extends beyond the current financial perspective.

30 March 2004

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Industry, External Trade, Research and Energy

on the proposal for a European Parliament and Council decision establishing a multiannual Community programme to make digital content in Europe more accessible, usable and exploitable

(COM(2004) 96 – C5-0082/2004 – 2004/0025(COD))

Draftsman: Kyösti Tapio Virrankoski

PROCEDURE

The Committee on Budgets appointed Kyösti Tapio Virrankoski draftsman at its meeting of 9 March 2004.

It considered the draft opinion at its meeting of 30 March 2004.

At this meeting it adopted the following amendments unanimously.

The following were present for the vote: Terence Wynn (chairman), Reimer Böge (vice-chairman), Kyösti Tapio Virrankoski (draftsman), Kathalijne Maria Buitenweg, Den Dover, Bárbara Dührkop Dührkop, Salvador Garriga Polledo, Jutta D. Haug, Wilfried Kuckelkorn, Jan Mulder, Ralf Walter, Friedrich-Wilhelm Graefe zu Baringdorf (for Ian Stewart Hudghton) and Paul Rübig (for Ioannis Averoff).

SHORT JUSTIFICATION

The overall objective of the proposed programme is to make digital content in Europe more accessible, usable and exploitable, thus facilitating the creation and diffusion of information and knowledge— in areas of public interest— at the Union level.

The proposed programme is partially a continuation of the predecessor programme *eContent*. Certain activities are dropped or are continued with a changed approach. According to the Commission, new emphasis is being put on multilingual aspects of cultural and educational content, as well as scientific and scholarly content and on the use of geographical information for cross-border services.

The changes that have been introduced, take into account:

- the results of ex-ante evaluation which took place over the last few years and included consultation with Institutions and economic and social actors.¹
- the recent and ongoing developments in knowledge and content technologies, which open up opportunities to improve the accessibility of digital content and to greatly simplify its aggregation and reuse in products and services.
- the new legislation enacted in the Union, including the Public Sector Information (PSI) Directive² and the Copyright Directive³ currently being transposed , both of which aim to facilitate an internal market for digital content products and services.

The *eContentplus* proposal envisages three specific actions:

- Facilitating access to, use and exploitation of digital content European Digital Content;
- Improving quality by facilitating best practice related to digital content;
- Reinforcing co-operation and awareness.

According to the Commission, the programme will finance projects designed to improve methods, tools, processes and services related to the design, development, access and distribution of digital content. It will facilitate the transfer of knowledge, experiences and good practices, co-ordination activities, cross-fertilisation between content sectors, content providers and users.

The proposal will be implemented by grants and co-funding on the basis of a detailed financial request. The accompanying and administrative measures will be fully financed by the Community. The programme will be managed at central level by the Commission.

¹ COM(2003) 591.

² Directive 2003/98/EC of 17 November 2003.

³ 2001/29/EC, adopted on 22 June 2001.

Financial statement

According to the Commission the programme will be resourced as follows:

Financial intervention

Line 09 03 02

€ million

	2005	2006	2007	2008	2009 and subs.years	Total
Commitment appropriations	26.600	27.500	44.500	61.400		160.000
Payment appropriations ¹	9.000	21.000	36.600	48.600	44.800	160.000

Technical and administrative assistance and support expenditure

Line 09 01 04 02

€ million

	2005	2006	2007	2008	2009 and subs. Yrs	Total
Commitment appropriations	0.900	0.600	0.800	0.700		3.000
Payment appropriations	0.400	0.800	0.775	0.775	0.250	3.000

The amounts for 2005 and 2006 are compatible with the financial programming 2004-2006².

	2005	2006
Financial programming 2004-2006 Lines 09 03 02 + 09 01 04 02	28.500	29.120
<i>eContentplus</i> Lines 09 03 02 + 09 01 04 02	27.500	28.100

The proportion of the technical and administrative assistance and support expenditure in relation with the whole envelope of the programme will be increased from 2 % in 2004 to 3.2 % in 2005. It could be justified because *eContentplus* covers new areas.

Financial intervention by action (Commitment appropriations)

€ million

¹ The amounts relating to the execution of the *eContent* programme (2001 – 2005) need to be added for 2005, 2006, 2007 to payment credits.

² SEC(2003)678.

Breakdown	2005	2006	2007	2008	Total
Facilitating access to, use and exploitation of digital content	14.000	11.000	17.000	21.000	63.000
Improving quality and facilitating best practice for digital content	10.800	14.500	24.000	36.200	85.500
Reinforcing co-operation and awareness	1.800	2.000	3.500	4.200	11.500
TOTAL	26.600	27.500	44.500	61.400	160.000

(The split between the three actions is indicative).

Verification of financial compatibility

The Committee on Budgets considers that the financial statement of the Commission proposal for the period 2005-2006 is compatible with the ceiling of heading 3 of the current Financial Perspective without restricting other policies.

However, the Committee on Budgets cannot guarantee the availability of resources for the period 2007-2008. Actually, such availability is subject to the adoption of the new Financial Perspective beyond 2006. Therefore, it recommends to the committee responsible and to the Parliament to carefully avoid the inclusion of precise figures in this decision. The amounts for 2007 and 2008 will have to be established by the Parliament and the Council (as legislative and budgetary authorities) once the Financial Perspective beyond 2006 has been adopted.

This is the aim of the following amendments.

AMENDMENT TO THE LEGISLATIVE RESOLUTION

Amendment 1

[The European Parliament]

considers that the financial statement of the Commission proposal for the period 2005-2006 is compatible with the ceiling of heading 3 of the current Financial Perspective without restricting other policies; the appropriations for the period 2007-2008 will be reassessed in the light of the new Financial Perspective for the period beyond 2006.

AMENDMENTS

The Committee on Budgets calls on the Committee on Industry, External Trade, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission ¹	Amendments by Parliament
<p>Amendment 1 Article 6, paragraph 2</p>	
<p>2. The financial reference amount for the implementation of the Programme <i>for the period referred in paragraph 1</i> shall be EUR 163 million. The annual appropriation shall be authorised by the budgetary authority within the limits of the financial perspective. An indicative breakdown of expenditure is given in Annex III.</p>	<p>2. The financial reference amount for the implementation of the Programme shall be EUR 55.6 million for the period 2005-2006. The amount for the period after 2006 shall be fixed by the budgetary and legislative authority on the basis of the new financial perspective beyond 2006. The annual appropriation shall be authorised by the budgetary authority within the limits of the financial perspective. An indicative breakdown of expenditure is given in Annex III.</p>

Justification

The financial statement of the Commission proposal for the period 2005-2006 is compatible with the ceiling of heading 3 of the current Financial Perspective without restricting other policies.

However, it is not possible to guarantee the availability of resources for the period 2007-2008. Actually, such an availability is subject to the adoption of the new Financial Perspective beyond 2006. Therefore the inclusion of precise figures for that period has to be avoided. The amounts for 2007 and 2008 will have to be established by the Parliament and the Council (as legislative and budgetary authorities) once the Financial Perspective beyond 2006 has been adopted.

¹ Not yet published in OJ.