

## **P5\_TA(2003)0047**

### **Impact of the e-Economy on European enterprises**

#### **European Parliament resolution on the Commission communication on the impact of the e-Economy on European enterprises: economic analysis and policy implications (COM(2001) 711 – C5-0285/2002 – 2002/2145(COS))**

*The European Parliament,*

- having regard to the Commission's Communication (COM(2001) 711 – C5-0285/2002),
  - having regard to the Commission's Communication to the Council, the European Parliament, the Economic and Social Committee and the Committee of Regions: "Helping SMEs to Go Digital" (COM(2001) 136),
  - having regard to its resolution of 16 March 2000 on "e-Europe - An Information Society For All: a Commission Initiative for the Special European Council of Lisbon, 23 and 24 March 2000"<sup>1</sup>,
  - having regard to its resolution of 3 October 2001 on the Commission's communication to the Council and European Parliament on "Innovation in a knowledge-driven economy"<sup>2</sup>,
  - having regard to its resolution of 13 June 2002 on the Commission's communication on "Sustaining the commitments, increasing the pace"<sup>3</sup>,
  - having regard to the Presidency Conclusions of the Lisbon European Council of 23 and 24 March 2000 (SN 100/1/00),
  - having regard to the Presidency Conclusions of the Barcelona European Council of 15 and 16 March 2002 and of the Seville European Council of 21 and 22 June 2002 (SN 100/1/02, SN 200/1/02),
  - having regard to Rule 47(1) of its Rules of Procedure,
  - having regard to the report of the Committee on Industry, External Trade, Research and Energy (A5-0434/2002),
- A. whereas the Lisbon European Council set the strategic goal of making the Union "the most competitive and dynamic knowledge-based economy in the world" by 2010, and a strong EU economy will produce wealth, jobs and security for its European citizens,

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<sup>1</sup> OJ C 377, 29.12.2000, p. 380.

<sup>2</sup> OJ C 87 E, 11.04.2002, p. 144.

<sup>3</sup> P5\_TA(2002)0324.

- B. whereas enterprises, particularly small and medium-sized enterprises (SMEs), are key drivers of economic growth and should be encouraged to actively engage in the New Economy,
- C. whereas the e-Economy is consistent with sustainable development in that it can enable savings to be made in material resources such as transport and paper printouts,
- D. whereas EU enterprises are still burdened by excessive red tape and prevented from enjoying the benefits offered by the single market,
- E. whereas SMEs are hindered from operating in the e-Economy because of security threats to their businesses and are reluctant to engage in on-line business activities,
- F. whereas SMEs need a clear and predictable legal framework for the e-Economy, including easy access to legal advice on applicable law and codes of conduct,
- G. whereas EU enterprises experience difficulties in gaining access to risk capital when compared with their US counterparts,
- H. whereas Information and Communication Technology (ICT) skills are the foundation of entrepreneurship in the e-Economy, yet 1.7 million jobs will remain unfilled in 2003 due to a shortage of skilled IT workers in the EU, thus causing European companies to miss out on new business opportunities,
- I. whereas the lack of skilled IT workers has its greatest impact on SMEs, as they fail to match the employment incentives offered by larger competitors in attracting trained IT professionals,
- J. whereas the internal market could benefit significantly from the development of e-business, but the limitations of existing legislation at both Community and national level are preventing such advantages from being realised, particularly the differences in regulation of on and offline commercial practices which hinder further integration of the e-Economy,
- K. whereas the ongoing development of increasingly productive capital at a diminishing cost has the potential to raise living standards substantially, and therefore the failure to recognise the importance of ICT would be costly to Member States,
- L. whereas the EU is lagging behind the US with regard to ICT investment and is failing to exploit the new technology to its full potential,
- M. whereas it is important for SMEs to be able to operate in the market on equal terms with large-scale enterprises, and to have access to software in order to develop their potential for innovation,
- N. whereas further liberalisation of the telecommunications markets will result in improved standards and lower prices as well as promote universal access and bridge the 'digital divide',

- O. whereas standardisation is increasingly challenging in the e-Economy due to blurring boundaries between telecommunication, broadcasting and IT,
  - P. whereas public funding of scientific and technological research is critically important for innovation and long-term economic growth,
  - Q. whereas exchanges between business and public administrations may provide positive examples of on-line applications acting as catalysts for a wider use of ICT,
1. Welcomes the Commission's Communication on the "The Impact of the e-Economy on European Enterprises: Economic Analysis and Policy Implications";
  2. Reiterates the call for sustainable development to be boosted by way of the e-Economy;
  3. Calls for a change in corporate management in both the private and public sector in order to respond to the challenges presented by a fast moving, global, electronic based commercial and financial economy;
  4. Urges the Commission to avoid excessive regulation of e-commerce and to apply a 'think small first' approach to formulating legislation to regulate the EU economy, thereby prioritising small businesses;
  5. Underlines the need to further reduce the legislative and administrative burdens on enterprises, simplifying data collection for tax collection and reducing unnecessary red tape, especially for the self-employed and small businesses;
  6. Urges Member States to build on measures already implemented to tackle online security issues, reinforcing the dependability and reliability of networks and information employed by enterprises, by raising awareness and spreading best practices;
  7. Suggests reinforcement of the legal certainty of engaging in cross-border e-business and ensuring easy access to the relevant legal advice;
  8. Urges Member States to encourage benchmarking in their initiatives to promote SME participation in the e-Economy in order to spread best practices;
  9. Calls for improved access to risk capital for EU enterprises and suggests offering tax incentives to venture capitalists to encourage investment in the EU's growing e-Economy;
  10. Calls on the Commission to increase consultation with SMEs, as well as the organisations representing them, in order to identify the main obstacles to their full participation in the e-Economy;
  11. Urges businesses, the educational sector and government agencies to cooperate fully in bridging the IT skills gap;
  12. Calls for improved curriculum in education so as to encourage a greater number of students to undertake IT-orientated studies, thereby providing a pool of workers with appropriate scientific and technical skills who are able to make best use of ICT advances that can benefit the e-Economy;

13. Encourages schools and universities to link up with business and industry to sponsor students at an early age so that they can acquire practical skills and adopt an entrepreneurial approach to the economy;
14. Calls for improved ICT training support for employers and employees at all levels with appropriate public and private sector investment, including grants, soft loans and tax incentives to help the link between further education and business;
15. Urges Member States to facilitate the employment of qualified foreign IT professionals on a contractual basis to meet the growing demand for skilled IT personnel to contribute to the expansion of the e-Economy;
16. Calls for a radical simplification of pensions, national insurance, and personal tax arrangements for cross-border employment so as to promote the mobility of skilled workers;
17. Regrets that e-commerce is still primarily a business-to-business activity, and stresses the importance of establishing self-regulation based on codes of conduct in order to create trust and confidence between partners operating in both the B2B and B2C sectors in the e-Economy;
18. Calls on the Commission to optimise the use of existing financial resources to build public confidence through the dissemination of information about its e-Economy related activities, income, expenditure and communications with the European Parliament and Council;
19. Supports both formal and informal standardisation of hardware, software, verification, security and support services in technical and organisational matters in order to facilitate IT access to the population at large;
20. Emphasises the need to promote open standards and certification procedures with a particular need to review existing product legislation;
21. Underlines the importance of providing incentives to the private sector to encourage investment in ICT; through tax incentives, to allow expenses relating to ICT and training to be deducted and by removing unnecessary restrictions on foreign investment and ownership;
22. Encourages Member States to establish a pro-ICT environment through further liberalisation of the telecommunications markets, promoting competition and supporting capital investments in infrastructure;
23. Supports the commercialisation of publicly funded research through increased collaboration between public and private researchers e.g. government-funded university research laboratories, which serve as incubators for start-up IT firms, providing them with a new source of knowledge, as well as access to highly trained scientists and engineers;
24. Urges the public administrations to be at the leading edge of on-line service and offer electronic access to all commercial, government and civil service activities

(e-procurement, e-tax, e-registration of companies, website access to government business);

25. Instructs its President to forward this resolution to the Council, the Commission and to the governments and parliaments of the Member States.