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Accompanying document to the

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing a multiannual Community programme on protecting children using the Internet and other communication technologies (2009-2013)

SUMMARY OF THE IMPACT ASSESSMENT

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1. Background

The envisaged new programme has the overall aim of promoting safer use of the Internet and other communication technologies (hereafter referred to as "*online technologies*"), especially by children.

1.1. State of play: Commission action

At the policy level, the Commission has been successful in placing the issues of developing a safer Internet firmly on the agenda of the EU and the Member States via policy work which started in 1996. This was complemented by two programmes, the Safer Internet Action Plan (1999-2004) and the Safer Internet *plus* programme (2005-2008). The Commission's foresight in identifying issues related to risks to children in the online environment early on in the development of the Internet has been widely recognised.

The launching of national hotlines and development of awareness nodes in nearly all EU Member States is seen as one of the main achievements[1]. According to a survey the average awareness level in the population has been increasing over the years. The most visible events are the annual Safer Internet Days, which register strongly increasing participation rates.

Self-regulatory initiatives instigated by the Commission were "extremely successful" and "enabled a monumental shift towards widespread awareness amongst service providers"[2].

1.2. State of play: legislation

Risks for the child can result from being exposed to illegal content and conduct or to legal, but harmful, content and conduct. The EU (and the Council of Europe) has set certain Europe-wide standards, clarifying legal issues through various recommendations and directives concerning the protection of minors and human dignity, electronic commerce, privacy and electronic communications and child sexual abuse images.

The list of legislative measures covers the field of online child protection adequately. The impact assessment therefore **does not examine the need for new legislative measures**. It does examine ways of complementing and **not duplicating** what has already been decided through the legislative instruments. The envisaged new programme is action-oriented.

1.3. Lessons learnt from the past

The preceding programmes have been evaluated several times by independent experts, who formulated specific recommendations. Further recommendations have been drawn from three Eurobarometer surveys. These lessons learnt have been taken into consideration when defining the objectives below.

2. Procedural issues and consultation of interested parties

[1] Final Evaluation Report of the Safer Internet Action Plan (2003-2004), IDATE, May 2006, p. 23.
[2] Final Evaluation Report of the Safer Internet Action Plan (2003-2004), IDATE, May 2006, p. 26.

The Commission launched a consultation of interested parties consisting of an online public consultation which ran from 12 April until 7 June 2007 and the Safer Internet Forum 2007 (Luxembourg, 20-21 June 2007).

The **online public consultation** was structured around three topics:

- Fighting illegal content
- Fighting harmful content
- User-generated content and online communication.

The **Safer Internet Forum** is a European discussion forum for representatives of industry, law enforcement authorities, child welfare organisations and policy makers to exchange experience and knowledge. The Forum 2007 focused on specific risks for children related to the use of online technologies.

During the impact assessment process the lead DG was supported by a **Steering Group** composed of members of those Commission departments which deal with related areas and legal, procedural and budgetary issues.

3. Problem definition

3.1. Problem analysis

The rapid development of the Internet and other information and communication technologies has given rise to a completely new economic sector. Although this contributes considerably to economic growth in Europe, it also has a negative side which can lead to considerable harm to the most vulnerable — children.

As users of online technologies, children and young people can be seen as recipients, participants and actors in the online environment. As **recipients** they may be exposed to content that might be considered harmful to them, and might cause considerable trauma or incite them to inflict harm on themselves or others. As **participants**, they take part in communication with others in the online environment, including potential abusers who use online technologies to target children (grooming). As **actors**, children generate content in a creative manner, and might inflict pain on others through bullying and abuse.

New technologies include the ever-increasing processing power and storage capacity of computers, with broadband allowing distribution of rich content such as video, and the increased capacity of the latest "3G" generation of cell phones. The changes in the online environment will lead to new uses of the technologies and new risks for children.

Technologies, communication networks, media, content, services and devices will increasingly undergo digital convergence. This will allow users to interact across platforms and to access the Internet from various devices; it thus makes children vulnerable through more access points. Some striking changes in the use of online

technologies have already caused new and severe risk situations for children. Social networking sites for example combine diverse functions which in the past had to be accessed separately. They are intensively used by children, who are confronted with a series of new risk situations.

The volume and types of content distributed are growing. The level of use of online technologies is increasing, especially amongst children. Material depicting **sexual abuse of children** appears to be on the increase and the means of online dissemination seem to be diversifying. The Internet has become one of the main distribution channels.

Technical tools are a necessary element within a multi-faceted internet safety policy. The industry is an important actor in the field of online child safety; self-regulation systems are for example a promising way to reduce illegal content and the access to it.

A key element of any policy in this field must inevitably be to empower children. Awareness raising and internet safety education must become more effective and more systematic in the EU.

There is a noticeable lack of EU comparative facts, figures and statistics. Where knowledge exists it is not pooled at EU level. Ongoing investigations at Member State level are not coordinated within the EU. A number of issues have not been investigated yet. Children's specific views on the way they "live with" online technologies and on the way they perceive and deal with risks must be better understood when developing policy strategies.

3.2. Specific risks for children and young people

The risks children can encounter when they go online or use mobile phones depend on the kind of activities they engage in. Such risks include exposure to harmful content, incitement to inappropriate, harmful or risk-taking behaviour, disclosure of personal information, cyber-bullying, advertising and high expenditure, security risks, erroneous evaluation of information sources, downloading leading to copyright infringement, grooming, specific risks related to mobile phone use, health risks, addiction and others. The most severe aspect is child sexual abuse material, disseminated and commercialised via online technologies.

3.3. Who is affected? Target groups

The main target group of the proposed programme will be children and young people. But it is not only children who need to be addressed; this includes also:

- Parents, carers, teachers
- State authorities
- The industry
- Non-governmental organisations

- Universities and research institutes.

4. Objectives

General objective

The envisaged new programme has the **general objective** of protecting children better against risks that can arise when using online technologies. The envisaged initiative will have **four specific objectives**:

(1) Reducing illegal content and tackling harmful conduct online

(2) Promoting a safer online environment

(3) Ensuring public awareness

(4) Establishing a knowledge base.

Additional **operational objectives** specify a series of targets that are expected to facilitate attainment of the above objectives.

5. Strategic policy options

5.1. Formulation of policy options

The Commission departments have considered four options:

- **Option 1**: Make no change — continue activities in this area as set out in the Safer Internet *plus* programme 2005–2008 without any modification. This is the **baseline scenario**.
- **Option 2**: Modify — adjust the scope of current activities and add new activities to deal with new risks and enhance effectiveness.
- **Option 3**: Slow down — reduce the scale of activities.
- **Option 4**: Stop — cease activities completely.

5.2. Analysis of the impact of the policy options

The policy options were assessed against the baseline scenario (Option 1) on the basis of the following criteria:

- Social impacts
- Economic impacts

- Costs for public administration
- Degree of coherence with policy objectives
- Added value and observance of the subsidiarity principle
- Feasibility.

5.2.1. Option 1: Make no change

This option (baseline scenario) would aim to ensure continuity of the *aquis* achieved under the preceding programmes.

Option 1 is viable and would generate a considerable number of impacts, especially of a social nature as it would be an important ongoing instrument to reduce the risks for children online. However, it would also display shortcomings when dealing with changing and emerging uses and behaviours. At operational level additional counter-strategies against these risks will need to be developed and implemented. Option 1 does not cover this sufficiently.

5.2.2. Option 2: Adjust the scope

This option would mean further developing a coherent strategy for the fight against harmful effects of online technologies at EU level. It would consist of two basic strands: continuing with the activities developed under the preceding programmes and enhancing new strategies against upcoming developments, including early-stage, pre-emptive actions.

In comparison to the baseline scenario, Option 2 would combat the harmful effects of online technologies more effectively as it would be able better to adapt the measures to the changing landscape, the challenge not being static but dynamic. To be truly effective, the future policy must ensure the continuity of the structures and actions that have been built up successfully and at the same time create new counterstrategies that respond to emerging phenomena and risk scenarios. New approaches which are not included in the baseline scenario are needed.

The public consultation has underlined that a large number of issues linked to the changing patterns of use of online technologies are not yet well understood. A broadening of the knowledge base is needed to develop efficient counterstrategies. Option 2 takes this need up.

5.2.3. Option 3: Slow down

This option would mean that a core set of activities which have been developed in the past and have proved to be successful will be maintained. However, the scale of activities would be reduced and the baseline budget cut by 40%. No new initiatives would be taken.

Option 3 is feasible and would generate impacts at operational level with high probability.

It would help to reduce the risks for children online by allowing for mechanisms where the public can report illegal online content, and for raising awareness. However, Option 3 is a minimal solution only. It would neither lead to any further actions nor cope with new challenges. On the positive side, it could be expected in the long run that access to illegal content will be more restricted as there is a tendency to control this issue better, but on the negative side it can be anticipated that the distribution of illegal content will increasingly take place through other channels (peer-to-peer communication, 3G mobile phones etc). This would require actions which Option 3 cannot deliver.

5.2.4. Option 4: Stop

To cease funding activities in the area of safer use of online technologies would mean that no general horizontal action is taken in this field by the Commission any more and no pro-active policy in this area is carried out at EU level. This option does not seem to be viable; a passive approach would be likely to result in negative impacts on the dimension of risks children are confronted with when using online technologies. Any draw-back in dealing with these risks would lead to a situation where the door is left open to harmful and illegal activities. The potential long-term negative impact would be very high.

To maintain the level of public awareness about internet safety for children, which has been enhanced under the previous programme, ongoing efforts would be required. Otherwise, the momentum gathered would be lost and past efforts jeopardised.

6. Comparison of the strategic policy options

The general policy options are compared on the basis of four social impact criteria and four economic impact criteria. The combination of such criteria makes it possible to identify the option which would yield the best ratio between social impacts and economic effects. Scores are attributed to each criterion under each option.

The result of the assessment is as follows:

Level of positive impact	**Score attained**[3]	**Option**
Highest impact	29	Option 2 adjust the scope
	24 (baseline)	Option 1 no change
	21	Option 3 slow down
Lowest impact	16	Option 4 stop

As a result of the analysis, **preference** has been given to **Option 2**, which is the strategy that best responds to the defined objectives of the impact assessment and at the same time

[3] The table of scores ranges between 0 and 48 points.

shows the **best ratio between social impacts and economic aspects**.

The public consultation clearly supports this result as stakeholders were almost unanimous in calling for the actions to be maintained and reinforced **and** for new actions to be formulated. The respondents made a clear point about the new needs to be addressed in the future programme. Their recommendations deal largely with upcoming new risks for children and corresponding actions. These recommendations will be well addressed by Option 2.

7. Proposal for a new programme

The final choice, Option 2, consists of a coherent strategy built on the principles of continuity (reinforce the achievements of the preceding initiatives taking account of lessons learnt) and enhancement (meet new threats, understand better the evolution of existing conduct and new threats, ensure and deepen European added value, broaden international outreach).

7.1. European added value and the principle of subsidiarity

The Community will stimulate best practice in Member States by providing guidance and giving support for European-level benchmarking, networking and adding to the knowledge base. The national activities will contribute to a "multiplier effect" with a view to a better distribution of best practice. The re-use of tested tools, methods, strategies and technologies or access to updated data at European level will enhance the cost-efficiency and effectiveness of actors at Member State level.

The programme aims to maximise synergy with national activities through networking and EU initiatives. The proposed activities partly build upon results achieved in previous actions and will complement actions launched under other EU programmes and initiatives (namely Prevention of and Fight against Crime, Youth in Action, Daphne III) to avoid duplication and maximise impact.

7.2. The structure of the new programme

The concrete policy will have the overall aim of promoting safer use of online technologies, especially by children, and can be divided into four main actions, which pursue the above defined general objectives:

- Action 1: Reducing illegal content and tackling harmful conduct online
- Action 2: Promoting a safer online environment
- Action 3: Ensuring public awareness
- Action 4: Establishing a knowledge base.

8. Cost-effectiveness

Justification of the cost of the proposed action

From a financial perspective, the envisaged programme remains rather modest. The planned overall budget of 55 million euros equals an annual budget of 11 million euros.

Cost-effectiveness of the funding mechanism

The programme will be implemented through indirect actions — calls for proposals and calls for tender as appropriate — and include international activities. The analysis has demonstrated that the same results cannot be achieved with lower costs.

9. Monitoring and evaluation

Implementation of the programme, including monitoring, will be the responsibility of Commission staff. Monitoring of the programme will be ongoing and will include two programme evaluations by external contractors and information obtained directly from beneficiaries, who will submit reports at regular intervals, respecting performance indicator criteria.