Information society: e-economy, impact on companies

2002/2145(COS) - 03/12/2002

The committee adopted the report by Bashir KHANBHAI (EPP-ED, UK) on the Commission communication. It identified a number of obstacles to the development of e-commerce in the EU and suggested ways of addressing these issues. The report began by pointing out that the EU was lagging behind the US with regard to ICT investment and access to risk capital for enterprises and said that tax incentives were needed to encourage investment by the private sector and venture capitalists. EU firms were, moreover, still burdened by excessive red tape, and the Commission was therefore urged to avoid excessive regulation of e-commerce and apply a "think small first" approach to formulating legislation to regulate the EU economy, thereby prioritising small businesses. MEPs also called on Member States to establish a pro-ICT environment through further liberalisation of the telecommunications markets and promoting competition. Noting that SMEs were also concerned by security threats to their businesses, which made them reluctant to engage in online business activities, the committee called on Member States to make greater efforts to tackle online security issues, reinforcing the dependability and reliability of networks and information employed by enterprises by raising awareness and spreading best practices. There was also a need to reinforce the legal certainty of engaging in cross-border e-business and to ensure easy access to the relevant legal advice. Another problem identified in the report was the shortage of skilled IT workers in the EU, which had its greatest impact on small businesses as these could not match the employment incentives offered by larger competitors in attracting trained IT professionals. The report stressed that business, the educational sector and government agencies needed to cooperate fully in closing the IT skills gap, for example by encouraging more students to undertake IT-oriented studies, improving ICT training support for employers and employees at all levels through public and private investment, facilitating the employment of qualified foreign IT professionals on a contractual basis and simplifying pensions and tax arrangements for cross-border employment to promote the mobility of skilled workers. Amongst its other recommendations, the committee wanted to see both formal and informal standardisation of hardware, software, verification, security and support services to facilitate IT access for the population at large. Lastly, it called on the Commission to increase consultation with SMEs to establish the main obstacles to their full participation in the e-Economy.