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Getting the Best from IT in the Commission

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Communication from Mr. Šefčovič, in agreement with the President

The Commission is spending almost €500m per year on IT. Over 3800 personnel, statutory and non statutory are working on IT. The increased use of IT has allowed the Commission to become more efficient in its delivery of services and its interaction with citizens. At the same time, as pressure grows to limit public sector expenditure, we need to ensure that the Commission is getting the best from its investment in IT. This has two aspects. Firstly we need to be able to check and to demonstrate that we are spending our IT budget in the most effective manner. Secondly we need to organise our work to ensure we are sufficiently equipped to identify further efficiencies in our delivery of services through the application of IT.

In April 2010 I set up a small Interservice Task Force to study our current IT situation and to make recommendations on these issues. A copy of the final, broad ranging report is attached. In brief the Task Force draws attention to the huge experience that the Commission has gained in the development and management of IT projects. It also points to a major weakness in the Commission, namely, there is at present no forum where IT projects are discussed strategically or where the good (and bad) lessons can be drawn from our experience.

I would like to draw to the Commission's attention at this stage to a number of key points:

- Responsibility for IT expenditure is spread out across the services. Roughly 40% comes from the Administrative Budget. The rest largely from operational budget lines managed by individual or groups of DGs. (A large part of this operational expenditure is for information systems with, or for, Member States as part of the corresponding EU policy i.e. Customs, Research, Home Affairs etc.) The result of this dispersal is that the Commission as an Institution is not currently well equipped to assess or harness the potential for economies of scale increasingly prevalent in the delivery of IT. In addition information systems developed under operational budget lines might also be of use to other services of the Commission but we lack the means for identifying or adapting such processes.
- There seems to be significant potential for more efficient use of resources. For example there are 450 information systems spread over 23 DGs which treat the 'policy lifecycle'. There are 119 information systems dealing with grant management. In all it is estimated that there are over 2000 different information systems in DGs covering just over a dozen broad business categories. All of these systems need upkeep and development. There is considerable room for rationalising and standardising such information systems. By end March 2011 I will make a proposal to streamline the overall number of systems and to reduce the overall number of human resources involved in this area as part of our ongoing efforts to redeploy resources away from support functions and into policy tasks.

As an input to their deliberations the Task Force met with a broad cross section of DGs and received responses to a questionnaire addressed to all Director Generals. The need for more corporate (i.e. Commission wide) solutions to common processes and practices was highlighted. So too was the need for balance between corporate solutions and the need to adapt to local specificities. An increasing number of Director Generals are actively involved in identifying those business processes which could be undertaken more effectively through the application of IT. This needs to become the norm across the Commission, particularly in the current climate of zero growth in staff. Instead we have to become more intelligent, more efficient in how we use our existing resources. The clever use of IT will allow us to do more and deliver the high quality services expected of us.

In agreement with the President I have decided to put in place a process for developing a more comprehensive IT strategy in the Commission as well as a more strategic approach to new IT investments. The Task Force has made 33 recommendations and suggests a two year timescale for their further examination and implementation. I share most of the recommendations and hereby recommend them to the College. To get this process underway, I propose to start implementing immediately a number of governance improvements recommended in the Task Force report (listed below).

In brief, certain meetings of the current ABM Steering Committee will be expanded to cover IT matters (becoming the **ABM+IT Steering Committee** on these occasions) through the inclusion of representatives from 5 DGs representing a cross section of DGs or families of DGs which have recourse to IT funding under operational budgets or administrative budget lines. (A rotation of this group DGs every 2 years is envisaged to ensure broad representation of users of IT). The ABM committee will propose the corporate IT strategy for the Commission to the College. It will oversee the streamlining and harmonisation of business processes, set targets for achieving efficiency gains; review IT security etc. The work of this **ABM+IT Steering Committee** will be prepared by a High Level Committee on IT to be chaired by a Deputy Secretary General and comprising director level representation from the DGs represented on the ABM+ IT Steering Committee. This High Level Committee will now commence the work necessary to give effect to the Task Force's recommendations. These new structures will be as light as possible and will strive to avoid placing additional burdens on DGs.

I also am setting up an **Information Systems Project Management Board** under the chairmanship of the Director General of DG DIGIT. The role of this board will be to prepare guidelines on good IT project management; advise DGs on all new IT investments above €0.5m as well as identifying potential new corporate applications. The Board will signal issues requiring corporate guidance or decision to the High Level Committee on IT and for endorsement by the ABM+IT Steering Committee. The SG will provide the secretariat of this new body.

These arrangements will come into effect on 1 November 2010.

With these structural changes in place I am confident that the Commission will have the means to ensure that not only are we getting the best out of our investment in IT but also that we are using IT in the most intelligent and rational manner so as to enable us to deliver our work programme more effectively.

I invite the Commission to take note of the Task Force Report and to agree to the organisational changes I propose to give effect to the relevant recommendations in the report, in particular the following:

- To extend the remit of certain meetings of the ABM steering Committee and rename it the ABM+IT steering committee for these occasions, to provide that 5 operational DGs participate in its IT work on a rotating basis.
- To establish a High Level Committee on IT chaired by a deputy Secretary General.
- To establish an Information Systems Project Management Board:
 - to be chaired by the Director General of DG DIGIT to examine all new IT project proposals over €500,000;
 - to prepare for approval by the High Level Committee on IT guidelines to facilitate the work of DGs on IT project design and management which will be endorsed by the ABM +IT steering committee for use by DGs in formulating new IT investments;
 - to advise on corporate and other solutions for DGs business needs;
 - to provide early warning to the High Level Committee on IT and, if necessary, the ABM+IT steering committee on difficulties encountered with IT projects;
 - to advise on training needs for skilled IT project managers.

Annex Report