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Smart Specialisation Strategies and the Digital Agenda for Europe

"Enhancing accessibility to and use and quality of ICT"

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"*Enhancing accessibility to and use and quality of ICT*"

1. **Where do we come from ?**

2. **Where are we now ?**

   - *DEA scoreboard*

   - *SF and CEF negotiations*

3. **Ex-ante conditionality**

   - *Digital Growth*

   - *New Generation Broadband*

1. Where do we come from ?

- **ICT in the Structural Funds (2007-2013)**

- **The Digital Agenda for Europe (EU 2020 Strategy)**

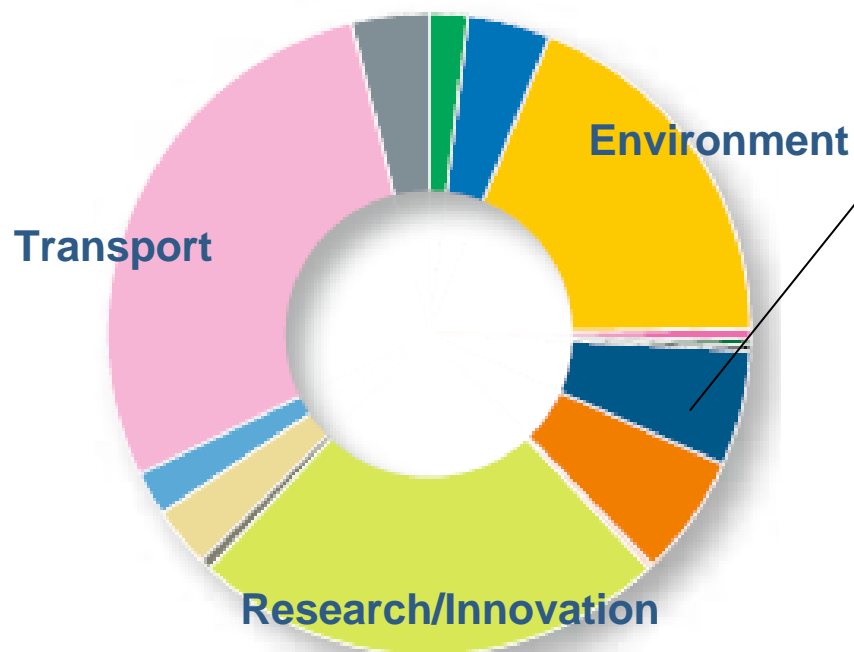# Structural Funds 2007-2013

European Regional Development Fund and Cohesion Fund (ERDF) (€271 billion)

Environment

Transport

Research/Innovation

ICT is 4.4 % (€ 15.2 billion) of the total Structural Funds allocation (€ 346 billion)

of which

Broadband is 0.7 % (€ 2.3 billion)

Information society   **Tourism**
Social infrastructure   **Culture**
Energy   **Institutional capacity**

1. Where do we come from ?

ICT within Structural Funds (2007-2013)

- ICT measure through ERDF mostly, but is it the full picture?

  ICT permeate all axes and all others Cohesion policy funds (e.g. € 370 million from the Recovery Package on broadband)

- Monitoring and Evaluation issue

  how to measure ICT across sectors?

1. Where do we come from ?

Digital Agenda for Europe (DAE) – *May 2010*

http://ec.europa.eu/digital-agenda/

- **7 "pillars", over 100 actions – clear targets**

- **Some with direct reference to Structural Funds:**

  - *"**Reinforce and rationalise,** in this framework, **the funding of high-speed broadband through EU instruments** (e.g. ERDF, ERDP, EAFRD, TEN, CIP) by 2014 and **explore** how to attract capital for broadband investments through **credit enhancement** (backed by the EIB and EU funds);"*

  - *"**Use fully the Structural and Rural Development Funds** that are already earmarked for investment in ICT infrastructures and services;"*

  - *"Leverage more private investment (…) by **using structural funds for research and innovation** and by maintaining a pace of 20% yearly increase of the ICT R&D budget (…)"*

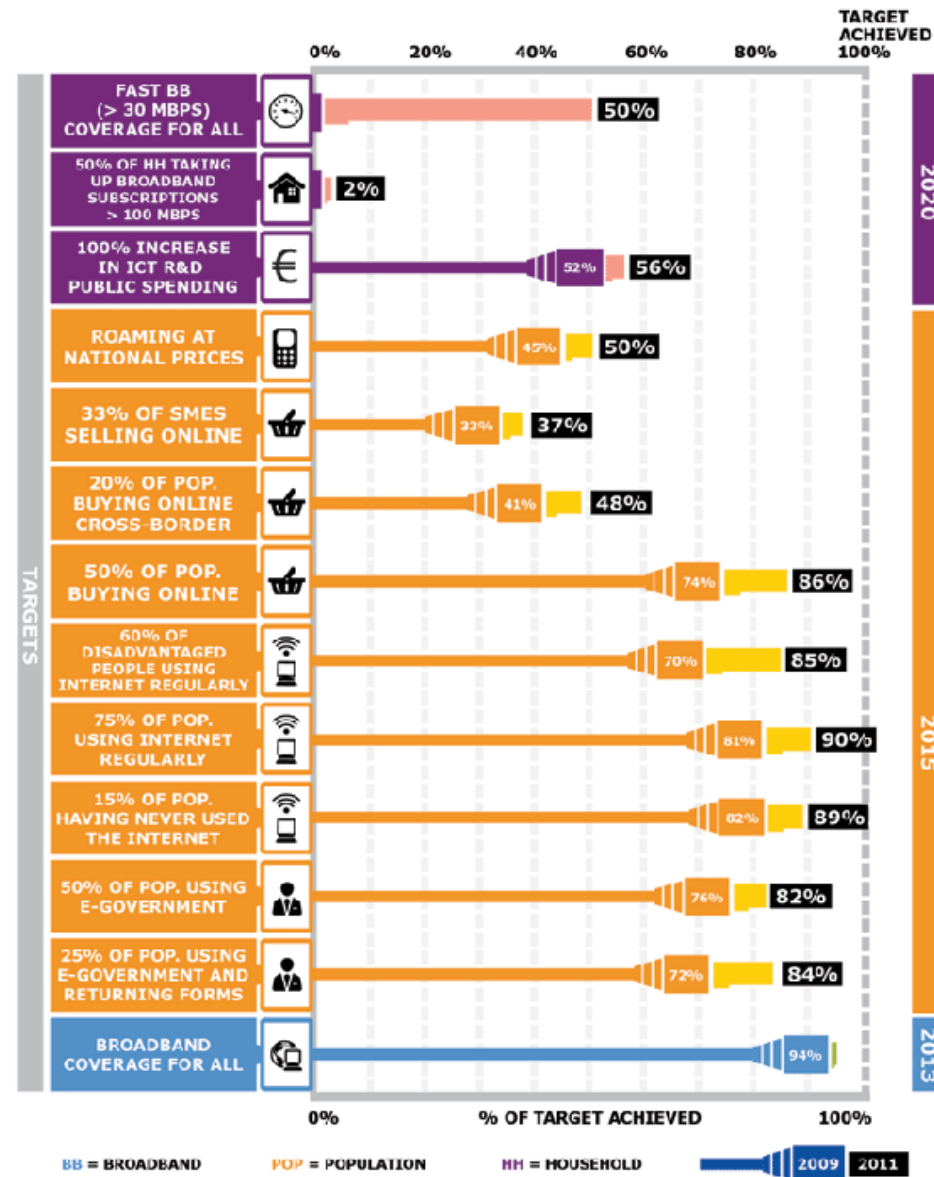# 2. Where are we now ?

- **Digital Agenda SCOREBOARD**
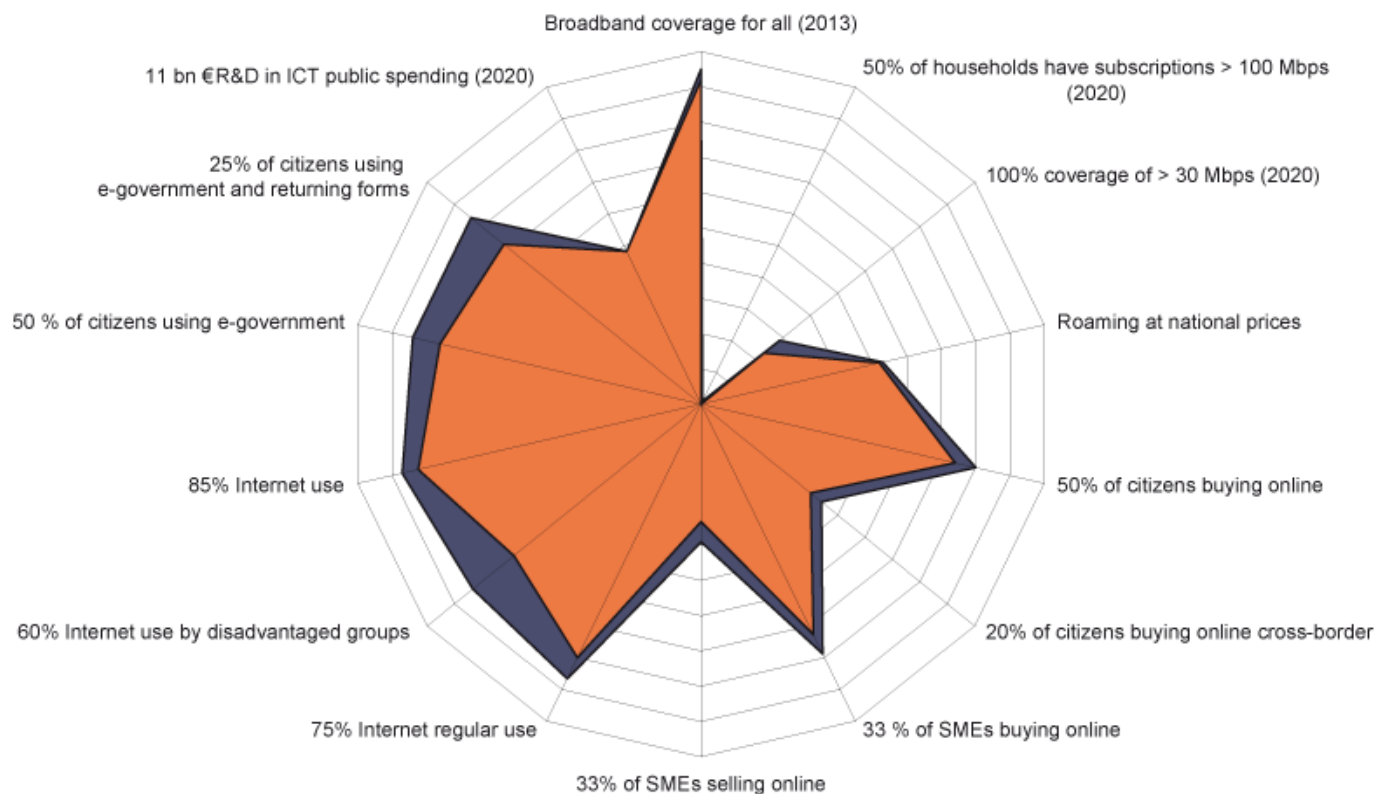
- **Structural Funds and CEF negotiations**

TARGETS

Target	2009	2011	Target year
FAST BB (> 30 MBPS) COVERAGE FOR ALL		50%	2020
50% OF HH TAKING UP BROADBAND SUBSCRIPTIONS > 100 MBPS		2%	2020
100% INCREASE IN ICT R&D PUBLIC SPENDING	52%	56%	2020
ROAMING AT NATIONAL PRICES	45%	50%	2015
33% OF SMES SELLING ONLINE	32%	37%	2015
20% OF POP. BUYING ONLINE CROSS-BORDER	41%	48%	2015
50% OF POP. BUYING ONLINE	74%	86%	2015
60% OF DISADVANTAGED PEOPLE USING INTERNET REGULARLY	70%	85%	2015
75% OF POP. USING INTERNET REGULARLY	81%	90%	2015
15% OF POP. HAVING NEVER USED THE INTERNET	82%	89%	2015
50% OF POP. USING E-GOVERNMENT	76%	82%	2015
25% OF POP. USING E-GOVERNMENT AND RETURNING FORMS	72%	84%	2015
BROADBAND COVERAGE FOR ALL	94%		2013

0%   % OF TARGET ACHIEVED   100%

BB = BROADBAND   POP = POPULATION   HH = HOUSEHOLD   2009 | 2011

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How the EU scores on the Digital Agenda targets

Orange = 2010, dark blue = 2011. Labels refer to targets; outerline is 100% achievement; targets refer to 2015 unless otherwise stated. 20% reduction in energy use not included.

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The Digital Agenda *Scoreboard*

http://ec.europa.eu/digital-agenda/en/scoreboard

- Country analysis

http://ec.europa.eu/digital-agenda/en/progress-country

- Country indicators

http://scoreboard.lod2.eu/index.php?scenario=4&indicators%5B%5D=allIndicators&year=2010&countries%5B%5D=AT#chart

2. Where are we now ?

Negotiation of the new programming period (2014-2020) for Structural Funds:

- Thematic concentration ?
- ICT infrastructures in developped Regions ?
- Ex-ante conditionality

Smart Specialisation Strategies (RIS3), Partnership Agreement/Contracts, Operational Programmes

Connecting Europe Facility (CEF) - € 50 billion for

- **Transport – € 31.7 billion**

- **Energy – € 9.1 billion**

- **Telecommunications – € 9.2 billion**

  » Broadband

  » Digital Service Infrastructures

ICT Voucher Schemes for SMEs

- *Pilot phase (2013):*
  - *Criteria* : SME needs, execution rates to improve and experience in voucher scheme management

- *Wider scale (2014-2020) ?*

3. Ex-ante conditionality

N°2 : "Enhancing accessibility to and use, and quality of ICT"

– N°2(a) Digital Growth

– N°2(b) NGA Infrastructure

... and all other Thematic objectives : R&I, energy efficiency, transports, skills, education, lifelong learning, efficient administration (eHealth, eGov)

N°2(a) **- Digital Growth -**

A **national or regional innovation strategy for smart specialisation** (S3) with an explicit *chapter for digital growth :*

- budgeting and prioritisation of actions through a **SWOT analysis** in alignment with DAE Scoreboard;

- an analysis of balancing support for **demand and supply** of information and communication technologies (ICT) should have been conducted;

- measurable **targets for outcomes** of interventions;

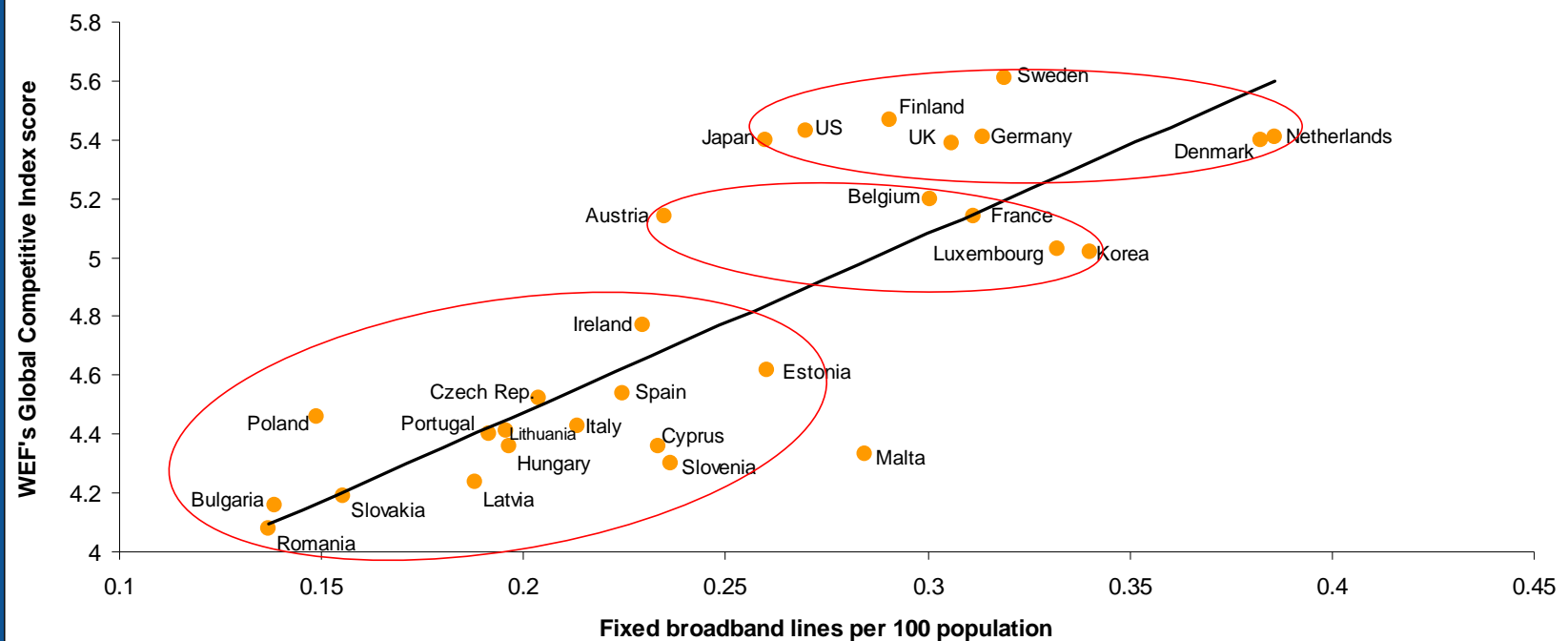- **assessment of needs** to reinforce ICT capacity building

N°2(b) – NGA Infrastructure -

National NGA Plans by 2020 which take account of regional actions in order to reach the EU high-speed Internet access targets:

- a **plan of infrastructure investments** and a **mapping of infrastructure and services**, regularly updated;

- support to sustainable **investment models** that enhance competition and provide access to open, affordable, quality and future proof infrastructure and services;

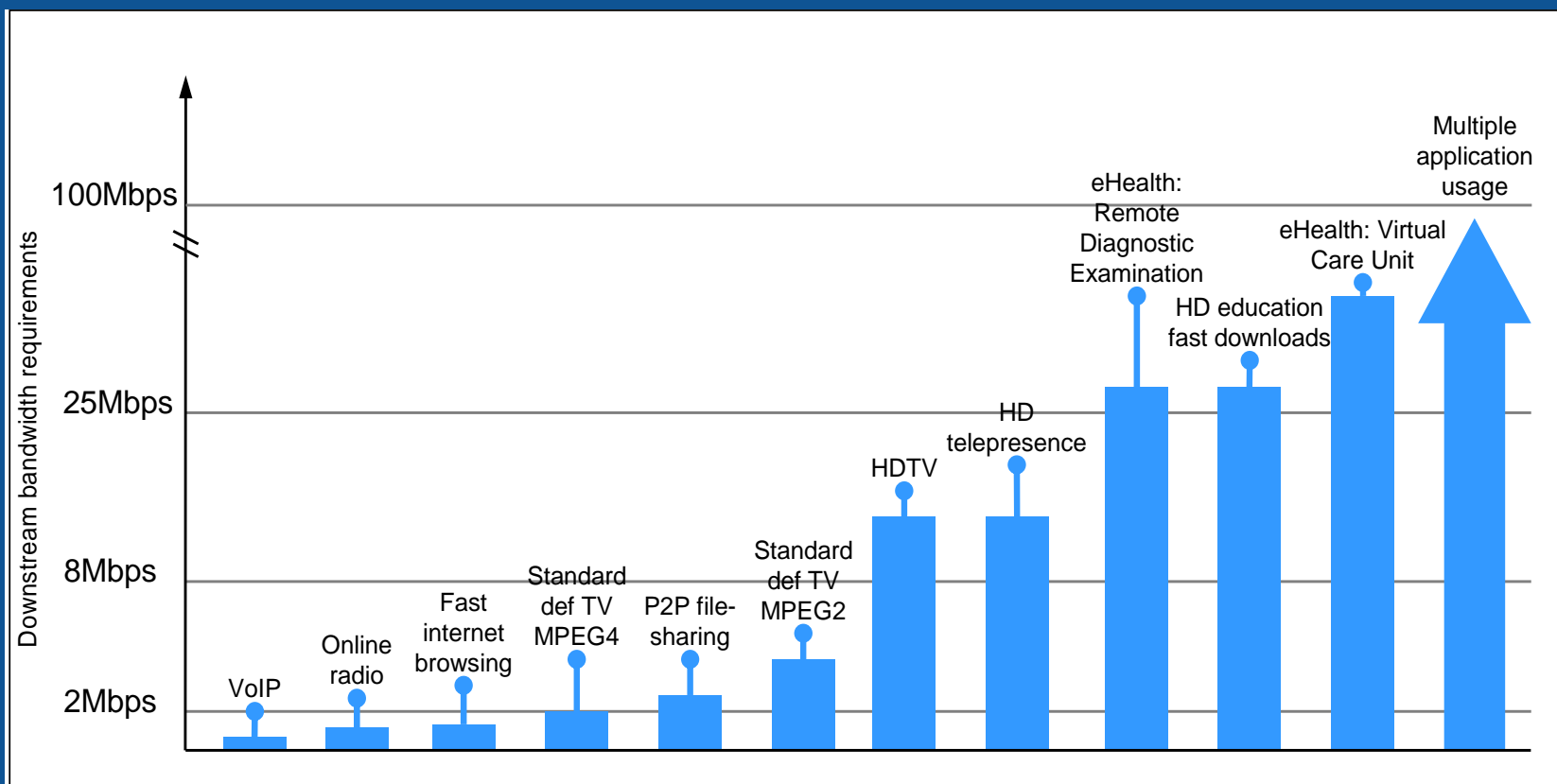- support to measures to **stimulate private investment**

Correlation Fixed Broadband Penetration and Competitiveness

"An increase in the broadband penetration rate by 10 percentage points raises annual growth in per-capita GDP by 0.9 to 1.5 percentage points"

(Czernich et al. - CESIFO WORKING PAPER NO. 2861, Ifo Institute for Economic Research, 2009)

Source: Analysis based on Broadband Stakeholder Group

A pragmatic approach to the assessment of the ex-ante conditionalities

Example : SWOT analysis :

-Use the key performance indicators of the DAE – do not re-invent the wheel !

Example : NGA Plans :

-If you have a Broadband Plan/Strategy – no need for more !

Analysis of MS position

Heading	Basic indicators (examples) (ranking high/medium/vis-à-vis in EU average)
Broadband	On target / DAE Broadband indicators ? How much money has been spent on BB (including SF) ? Is there a BB Plan ?
Internet Usage / demand for ICT	On target / DAE quantified objectives for , eSkill, eInclusion, eCommerce ?
Online Services	How is [MS] performing for eHealth, eGov action plans ? Involvement in Europeana ?
ICT Research & Innovation	Ranking in participation in EU's R&D and Capacity programme (FP7 and ICT infrastructure) ? Spending on R&D in SF programmes ?
Administrative Capacity	Is this a reason for ICT « under spending » or reprogramming in 2007-2013 ?

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Further support to the Regions

- **IPTS / S3 Platform**: DEA/ICT dedicated peer-review, events, etc.

- **European Broadband Portal**:
  ongoing evaluation

- **EU Guides** : RIS3 + broadband investments

- **Events :**
  - **Digital Agenda Assembly** (19-20 June - Dublin),
  - **Open Days** (October)

Thank you

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