

# Presentation of the Workshop

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# Part 1 BACKGROUND



### At the cross-road of two EU policies:

- Digital Agenda for Europe (DAE) 2010-2020 :
  - Over 100 actions for the Commission and Member States
  - Targets (KPI) by 2013, 2015, 2020
- European Structural & Investment Funds (ESIF) 2014-2020 :
  - 11 Thematic Objectives, investment priorities
  - Thematic concentration, smart specialisation strategies

#### **Background**



ICT : not just a "sector" (telecom)

> enabler for all socio-economic sectors

ICT : no longer "hardware v.s. software"

> cloud computing, mobility and ubiquity

ICT : from "nice-to-have" to "must-have"

> pre-condition for productivity growth & innovation

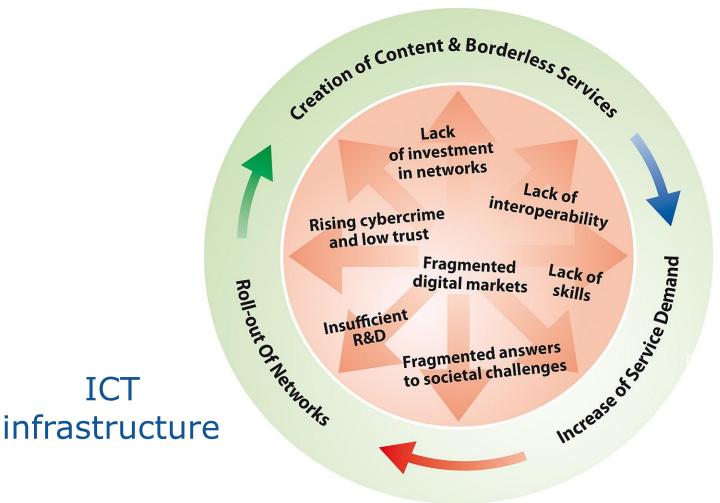
**Convergence** of ever faster networks, ever smarter devices, ever richer contents

#### The "virtuous circle" of the Digital economy

ICT



#### Applications & e-Services



**Business &** individual end-users

#### **Background**



#### ICT: a must for competitiveness and innovation

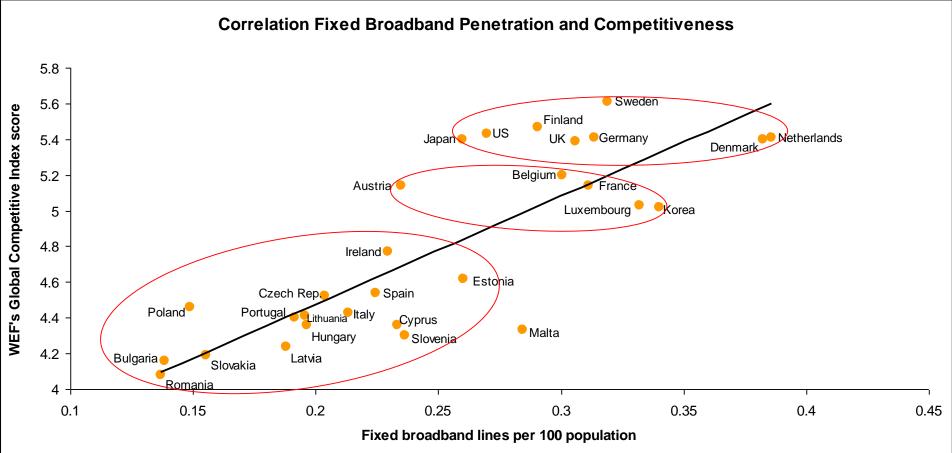
- 5 % of GDP but driving 20% of overall productivity growth (3.2 trillion by 2016 in G20 economies)
- Companies adopting IT based processes improve labour productivity by 5% in manufacturing and 10% in services
- SMEs grow 2 to 3 times faster when connected
- For every job lost, 2.6 new ones created



ICT full potential not yet fully exploited!

# Broadband drives 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)

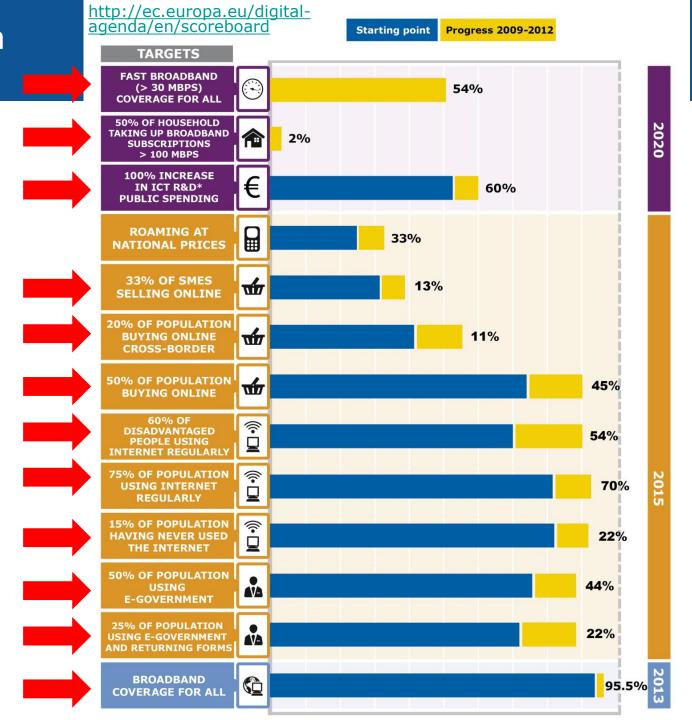
#### Digital Agenda Scoreboard

**ESIF-relevant:** 

Infrastructure/net works

eServices/ applications

Take-up/ demand





### Part 2

# Enhancing the ICT dimension within ESIF



# **ESIF Legal Framework**

The new ESIF Regulations encourage the programming of ICT:

- ICT (TO2) is part of the *Thematic Concentration* (4 Thematic Objectives share 50% to 80% of ERDF)
- ICT infrastructures (NGN) are eligible to ERDF in all EU Regions

#### However, there is strong reluctance due to

- Past records on absorption capacity
- Relevance of infrastructure v.s. concentration on R&I



# **Ongoing support to Regions**

#### **Cooperation Platforms**

- S3 Platform (Institute for Prospective Technological Studies, IPTS)

  http://s3platform.jrc.ec.europa.eu/digital-agenda
- Virtual task Force (CNECT/REGIO/AGRI)

http://connected.cnect.cec.eu.int/groups/virtual-task-force-regio-connect-vtf

#### **Guidance**

- Digital Agenda "Toolbox"
- Assessment Grids: S3 for ICT, EACs
- Guides on Broadband Investment models, State Aids, Mapping, etc.
- European Broadband Portal

#### Capacity Building / Technical Assistance



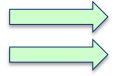
## Two scenarios for hiring experts

- 1. To help Member States/Regions prepare
  - Partnership Agreements (PAs)
  - Operational Programmes (OPs)
  - Ex-Ante Conditionalities (EACs)
  - Research & Innovation Smart Specialisation Strategies (RIS3)



missions on the ground

2. To help *DG CONNECT services* assess these programming documents



desk work ; 5-day contract very short notice !!!



## Scenarios for <u>not</u> hiring experts: Conflict of Interest

You <u>cannot</u> be contracted as an expert:

- If you are one of the **penholders** or **adviser** for the PA, OP or RIS3 of the Regions/Member State under examination.
- If you are involved in any kind of work which might prejudice your assessment.



#### What to assess? - How to assess?

If you are called upon, you may have to assess:

- one Region: coherence between programming documents (PA, OPs) & Ex-ante Conditionalities (EACs);
- a group of regional OPs: cross-checking for consistency of treatment;
- etc.

Contractual **terms of reference**, in conjunction with the relevant **assessment grid(s)** and the **Digital Agenda Toolbox**.



# Partnership Agreement (PA)

- A "high level business plan" which the MS agrees with the Commission;
- Setting the direction of the funding programmes ensuring how the funds are best deployed to support maximum impact (sustainable growth and jobs).



## **Operational Programme (OP)**

Document written by the MS and/or Regions defining the investment of EU funds for each priority chosen and proposing concrete Measures for funding;

#### It includes:

- Priorities (axes) setting out specific objectives;
- Financial appropriations (ESI Funds + national cofinancing);
- Indicators to assess progress (absorption, output, results);
- Description of the Measures: <u>framework for the selection</u> of operations (= projects): main target groups, specific territories, types of beneficiaries, major projects, etc.



## The Digital Agenda "Toolbox"

Designed to help regional and national authorities understand DAE's potential for digital growth.

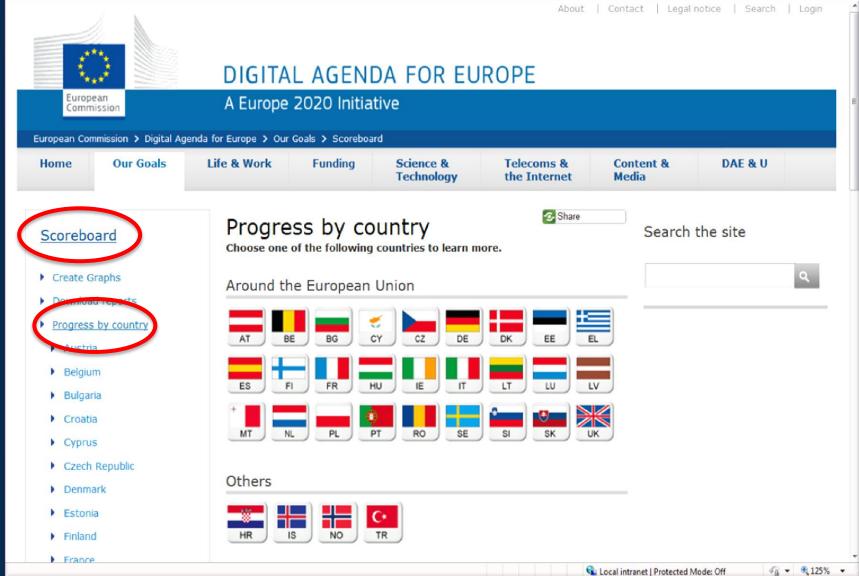
- Links the DAE with and ESIF 2014-2020;
- Identifies common themes in developing a policy framework;
- Gives guidance on smart investment in ICT infrastructure, measures to support the development of ICT services, applications and products, and ICT up-take;
- Provides Best Practices;
- Complements RIS3 and Broadband Investment Guide.



# The Digital Agenda "Toolbox": Areas covered by ESIF in the 3-pillar structure:

- ICT Infrastructure: Next Generation Networks, H2020 R&D/e-Infrastructure for R&D, Cloud Computing, Key Enabling Technologies (KETS) for Europe, Network and Information Security;
- e-Services and Applications: eGovernment, eHealth, Active and Healthy Ageing, Digitalisation of cultural heritage, language resources, intelligent transport cities, smart cities, smart grids;
- **ICT Take-up**: Web entrepreneurship to boost startups, Open data portals, living labs, digital skills, ICT innovation vouchers.







#### **Thematic Objectives**

**Ex-ante** conditionalities

N°1 Research and

innovation

N°2 - ICT use and quality

- ICT access

other Thematic All **Objectives** 

"Digital Growth" **Strategic policy framework:** 

> - R&I Smart Specialisation Strategy (RIS3)

and/or



- National/Regional Digital Agenda

**Next Generation Network** (NGN) Plan

**Corresponding ex**ante conditionalities

**Vision of** convergence and digital economy





## ICT Ex-Ante Conditionalities (EAC)

- They reflect existing commitments or obligations that should be met. They help ensure an effective and efficient implementation of the ESIF in a wider policy framework.
- Two EAC for <u>Thematic Objective 2 (ICT)</u>:
  - Digital Growth 2.1
  - National Broadband plan NGA 2.2
- If an EAC "not met", an action plan is required by 2016 – possibly with a suspension of payment?



# ICT within a Research & Innovation Smart Specialisation Strategy (RIS3)

- 2014-2020: MS committed into focussing on fewer investment priorities;
- Develop distinctive and original areas of specialisation where "innovative" projects will complement the region's other productive assets.

Capacity, critical mass, competitive advantage



# Assessment Grid EAC 2.1 Digital Growth

(national or regional "digital agenda" or RIS3 vehicle)

#### Criteria include:

- ➤ An economic analysis (SWOT or similar analysis Scoreboard DAE) of ICT with stakholder involvement
- Prioritisation of actions and available budgetary resources;
- > Indicators to measure progress of interventions.
- Administrative capacity; remedial actions
- Other criteria from the Assessment Grid for ICT in RIS3



# **Assessment Grid EAC 2.1: NGN Plan**

(National or Regional)

#### Criteria include

- ➤ A plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments;
- Prioritisation, available budgetary resources, and investment models that should enhance competition and provide access to open, affordable, quality and future proof infrastructure and services;
- Measures to stimulate private investment.

#### Conclusion



# **Objectives of today's Workshop**

- Sharing a common understanding of the tasks you may be called for;
- Critical assessment on the main analytical tools at your disposal:
  - Digital Agenda "Toolbox"
  - Assessment Grids for ICT in RIS3 / EAC;
- Networkwing, exchange of best practice.



# Thank you! Any question?

#### **Further reading:**

http://ec.europa.eu/dgs/connect/en/content/broadband-ict-structural-funds

http://s3platform.jrc.ec.europa.eu/digital-agenda