Defining a new digital agenda for Europe: from i2010 to digital.eu

2009/2225(INI) - 04/08/2009 - Non-legislative basic document

PURPOSE: to present the Commission's report on Europe's digital competitiveness report (main achievements of the i2010 strategy 2005-2009).

CONTENT: in its report, the Commission recalls that Europe remains a global force in advanced information and communication technologies (ICT). The World Wide Web, the mobile GSM standard, the MPEG standard for digital content and ADSL technology were all invented in Europe. Maintaining this leadership position and turning it into a competitive advantage is an important policy goal. The Commission presented in 2005 the i2010 strategy, which was designed as the strategic framework for Europe's information society and media policies. It described the overall thrust of policy to promote an open and competitive digital economy across Europe and it underlined for the first time the importance of ICT to improve the quality of life.

Key achievements of i2010: the report notes that the pro-competition and pro-consumer policy drive led by i2010 has produced many tangible results:

- **more and more Europeans are online**: the number of regular internet users has increased from 43% in 2005 to 56% in 2008. Most of them use the internet almost daily and with high-speed internet access. The numbers of users in disadvantaged groups (the inactive, the less educated and those aged 55-64) are rising the fastest;
- **Europe has become the world leader in broadband internet**: with 114 million subscribers, it is the largest world market and penetration rates are rising swiftly. Half of all European households and more than 80% of European businesses have a fixed broadband connection. Broadband internet is available to 93% of the EU25 population, up from 87% in 2005;
- **high rates of broadband connectivity have translated into higher usage of advanced services**. 80 % of regular internet users engage in increasingly interactive activities, e.g. communicating, using online financial services, sharing and creating new content and participating in innovative processes;
- **the market for mobile phones has exceeded 100% penetration**: increasing from 84% of the EU population in 2004 to 119% in 2009. This makes Europe the world leader in mobile penetration, as the rates in the US and Japan are around 80%. Consumers spend more time talking and texting at prices at least 34.5% less than in 2004, including a 70% drop in roaming charges since 2005;
- **fast progress in the use of the 20 benchmarked online public services**: the supply of fully available services to citizens has increased to 50% in 2007 (27% in 2004) and for businesses to 70% (58% in 2004). One third of European citizens and almost 70% of businesses in the EU use eGovernment services;
- **EU–funded ICT research has played a key role in Europe's major industrial development**, such as in micro- and nano-electronics, in healthcare and the EU's road safety agenda;
- ICT policies have been increasingly mainstreamed.

A new digital agenda: the success of the EU ICT strategy over the last four years needs, however, to be put in a global perspective. Today it is becoming apparent that, even in areas where it has global leadership, **Europe is at risk of losing its competitive edge** when it comes to new, innovative developments. For instance, Europe has positioned itself as a world leader for broadband internet but dramatically lags behind Japan and South Korea in high-speed fibre. Similarly, Europe's mobile communications success has not spilled over into wireless broadband, where Asia is emerging as the

world leader. In addition, Europe is sidelined regarding internet services and applications, with the US dominating the new interactive web habitat, especially blogs and social networks. Therefore Europe needs a **new digital agenda** to meet the emerging challenges, to create a world beating infrastructure and unlock the potential of the internet as a driver of growth and the basis for open innovation, creativity and participation. The European Council in December 2008 called for a European plan for innovation where ICT would be a key technology. The Commission launches a public online consultation on nine key areas for Europe's future ICT and media policies:

1) **Unleashing ICT as a driver of economic recovery and as a lead contributor to the Lisbon growth and jobs agenda**: this is crucial in the current economic and financial crisis and to achieve Europe's longer-term economic goals.

2) **Increasing the role of ICT in the transition to a more sustainable low-carbon economy**: focusing on ICT to promote responsible energy consumption in households, transport, energy generation and manufacturing and reveal the potential to make substantial energy savings. Smart meters, efficient lighting, cloud computing and distributed software will transform usage patterns of energy sources.

3) **Increasing Europe's performance in ICT research and innovation**: despite the achievements of the past few years, European R&D is constantly challenged. A strong ICT R&D base in Europe is crucial as ICT breakthroughs are key to solving a number of challenges, such as health care, the demands of an ageing society, security and privacy and managing the transition to a low-carbon economy.

4) **Creating a 100% connected economy through a high-speed and open internet for all**: the potential of high-speed infrastructure for economic recovery, long-term growth and innovation in Europe must be unlocked.

5) **Consolidating the online single market**: we have yet to achieve an online single market, despite solid progress during the past years. Europe still faces legal fragmentation, with payment systems, security, privacy and other obstacles that discourage businesses and consumers to go digital. This applies also to the market for digital content where fragmentation makes it difficult for European citizens to access the full span of rich and culturally diverse online offer available across the EU.

6) **Promoting users' creativity**: the new digital habitat (WEB 2.0 and beyond) offers an unprecedented chance to unleash the creativity of Europe's citizens. The internet today is an interactive political forum, a vibrant social network and a vast source of knowledge. With new participative platforms and services, users have become active players, producers or 'prosumers' and it is essential to put in place new policies to encourage users' creativity and participation.

7) **Reinforcing the EU's position as a key player in the international ICT arena**: the continued success of modern ICT depends on international openness and cooperation, an internet free of restrictions on traffic, sites, platforms and the type of equipment to be attached, and free of censorship. It also depends on our ability to handle global challenges, such as international governance, security, inappropriate content and malpractice, privacy, protection of persona data and new vast address spaces (IPv6), multilingual identifiers and so on. Many of these issues can only be solved at international level. But Europe's voice often struggles to be heard.

8) **Making modern and efficient public services available and accessible to all**: (i) eGovernment is increasingly a reality in Member States. However, efforts must be further pursued to increase interoperability among public administrations. The Commission for its part has proposed to pursue the successful IDABC programme by tabling a proposal for a new programme aimed to promote Interoperability Solutions for public Administrations (ISA) and is pursuing work to revise the

European Interoperability Framework, aimed to define the general rules for collaboration among the Member States' administrations and the EU Institutions; (ii) the use of ICT in schools has increased significantly. The Lisbon targets connect all schools in Europe have already been met; (iii) **eLearning and eHealth applications** can greatly improve the quality of education and health care across the EU. However, the benefits of all these applications have not yet been realised fully; (iv) the **participative web** offers new opportunities but also challenges public administrations, enabling citizens to review their relationship with the authorities.

9) **Using ICT to improve the quality of life of EU citizens by unlocking the storehouses of Europe's cultural heritage and bringing it online**. The 2008 eInclusion initiative showed the socio-political and economic importance of this and the 'eInclusion business case' is now stronger than ever to overcome the main aspects of disadvantage, such as age, education, gender and location. In the current economic downturn, disenfranchised people in particular risk being further excluded from society and the labour market.