Innovation in the economy and the entreprises, electronic trade, Go Digital initiative for SMEs

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In 2001 the European Commission launched the "Go Digital" initiative in order to encourage Internet use amongst SMEs. This Communication presents the latest available statistical evidence on the use of ICT and e-business by SMEs and identifies the main policy challenges at national and European levels. The objective is to stimulate policy changes by providing a policy framework for future actions and by preparing for more appropriate policy targets. As this Communication points out, however, the take-up and use of Internet has far exceeded expectations. By way of example, statistics for 2002 show that over 90% of enterprises with more than 10 employees are using computers and almost 80% of them are connected to the Internet. For small enterprises of no more than 49 employees more than 90% of them use computers and 80% have access to the Internet. Practically all the large enterprises (those with over 250 employees) are already connected. In this respect, no major gaps between larger enterprises and SMEs exist anymore. Similarly connectivity indicators no longer reveal major gaps between sectors or region. Even though a gap between northern and southern EU countries do indicate that the southern region is less likely to use the Internet. Further, more than a quarter of the small enterprises still connect to the Internet using an analogue dial-up modem compared to the higher bandwidth and fixed up networks enjoyed by larger enterprises. Bearing such statistics in mind the Commission proposes the EU adopt a shift in emphasis from encouraging Internet take-up amongst SMEs to stimulating a culture of effective and productive integration of ICT into business processes. Here, SMEs are still lagging behind larger enterprises, which could impair their competitiveness and thus slow Europe's overall productivity growth. Take as an example, business-to-business (B2B) transactions. The emergence of e-marketplaces seems to be of growing importance. Large enterprises such as the chemical, transport equipment manufacturing and ICT services are beginning to rely on B2B transactions more and more. In many cases SMEs will have to follow if they are to remain competitive. In order to better assess how well and how far SMEs are taking up the new challenge of greater business ICT integration, the Commission is proposing an extension of the "e-business index" included in the list of eEurope benchmarking indicators. It aims to assess the readiness of enterprises to conduct business electronically. The Commission has recognised and presented the following challenges currently faced by SMEs: - To improve managerial understanding and workforce skills for e-business; - To improve knowledge transfer to SMEs through SME support networks; - To promote and disseminate good e-business practices; - To enhance e-business skills; - To improve the availability of e-business solutions; - To better leverage the results of research on e-business technologies; - To promote regional clusters between ICT service providers and SMEs; - To facilitate effective participation of SMEs in e-business networks; - To promote participation of SMEs in B2B e-marketplaces; - To promote participation of SMEs in public electronic procurement; - To promote virtual collaborative SME networks. In conclusion the Commission suggest that this Communication should be viewed as a step towards realising the objective of making Europe the world's most competitive and dynamic knowledge-based economy by the end of the decade. As a follow-up to this Communication the Commission will prepare, by the end of 2004, a report on the progress made in support of e-business for SMEs.