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European Commission Announces Digital Agenda for Europe

The European Commission has announced a new action plan to tackle the debilitating impact of the financial crisis, which it says in a new document, has "wiped out years of economic and social progress and exposed structural weaknesses in Europe's economy". To achieve a sustainable future, the recently launched Digital Agenda action plan outlines key areas of deficiency in Europe's ability to deliver electronic services within its borders, including online healthcare delivery. It makes proposals for actions that need to be taken urgently to get Europe on track for smart, sustainable and inclusive growth. Its proposals aim to set the scene for longer-term transformations that the increasingly digital economy and society will bring about.

Europe 2020 Strategy

The European Commission launched the Europe 2020 Strategy to exit the crisis and prepare the EU economy for the challenges of the next decade, in March this year. Europe 2020 sets out a vision to achieve high levels of employment, a low carbon economy, productivity and social cohesion, to be implemented through concrete actions at EU and national levels. This battle for growth and jobs requires ownership at a top political level and mobilisation from all actors across Europe.

The Digital Agenda for Europe is one of the seven flagship initiatives of the Europe 2020 Strategy, set out to define the key role that the use of Information and Communication Technologies (ICT) will have to play if Europe wants to succeed in its ambitions for 2020.

Maximise Potential of ICT

The objective of this agenda is to chart a course to maximise the social and economic potential of ICT, most notably the Internet, a vital medium of economic and societal activity: for doing business, working, playing, communicating and expressing ourselves freely. Successful delivery of this agenda will spur innovation, economic growth and improvements in daily life for both citizens and businesses. Wider deployment and more effective use of digital technologies will thus enable Europe to address its key challenges and will provide Europeans with a better quality of life through, for example, better healthcare, safer and more efficient transport solutions, cleaner environment, new media opportunities and easier access to public services and cultural content.

The ICT sector is directly responsible for five percent of European GDP, with a market value of 660 billion euros annually, but it contributes far more to overall productivity growth (20 percent directly from the ICT sector and 30 percent from ICT investments). This is because of the high levels of dynamism and innovation inherent in the sector, and the enabling role the sector plays in changing how other sectors do business.

This flow of activity requires a business environment that fosters investments and entrepreneurship. But while the transformational power of ICT is clear, serious challenges must also be confronted in order to harness it. Although a digital way of life is emerging for many European citizens, on the basis of technology which declares its "worldwide", borderless reach, they cannot accept that a single market designed before the Internet is marred by privacy and security concerns, by insufficient Internet access, insufficient usability, by lack of relevant skills or by lack of accessibility for all.

Seven Key Areas to Tackle

Based on consultation with stakeholders and on insights contained in both the Granada Declaration and the European Parliament Resolution, the Commission has identified the seven most significant obstacles. On their own or in combination, these obstacles seriously undermine efforts to exploit ICT, making clear the need for a comprehensive and united policy response at the European level. They show that Europe is lagging behind its industrial partners.

Fragmented Digital Markets

Europe is still a patchwork of national online markets, and Europeans are prevented by solvable problems from enjoying the benefits of a digital single market. Commercial and cultural content and services need to flow across borders; this should be achieved by eliminating regulatory barriers and facilitating electronic payments and invoicing, dispute resolution and customer trust. More can and must be done under the current regulatory framework to weave a single market in the telecoms sector.

Lack of Interoperability

Europe does not yet reap the maximum benefit from interoperability. Weaknesses in standard- setting, public procurement and coordination between public authorities prevent digital services and devices used by Europeans from working together as well as they should. The Digital Agenda can only take off if its different parts and applications are interoperable and based on standards and open platforms.

Rising Cybercrime and Risk of Low Trust in Networks

Europeans will not engage in ever more sophisticated online activities, unless they feel that they, or their children, can fully rely upon their networks. Europe must therefore address the rise of new forms of crime - "cybercrime" - ranging from child abuse to identity theft and cyber-attacks, and develop responsive mechanisms. In parallel, the multiplication of databases and new technologies allowing remote control of individuals raise new challenges to the protection of Europeans' fundamental rights to personal data and privacy. The Internet has now become such a critical information infrastructure for individuals as much as for the European economy at large, that our IT systems and networks must be made resilient and secure to all sort of new threats.

Lack of Investment in Networks

More needs to be done to ensure the roll-out and take-up of broadband for all, at increasing speeds, through both fixed and wireless

technologies, and to facilitate investment in the new very fast open and competitive Internet networks that will be the arteries of a future economy. Our action needs to be focused on providing the right incentives to stimulate private investment, complemented by carefully targeted public investments, without re-monopolising our networks, as well as improving spectrum allocation.

Insufficient Research and Innovation Efforts

Europe continues to under-invest, fragment its efforts, under-use the creativity of SMEs and fail to convert the intellectual advantage of research into the competitive advantage of market- based innovations. We need to build on the talent of our researchers to deliver an innovation ecosystem where European based ICT companies of all sizes can develop worldclass products that will generate demand. We therefore need to address the suboptimal character of current research and innovation efforts by leveraging more private investment, better coordinating and pooling of resources, 'lighter and faster' access of digital SMEs to Union research funds, joint research infrastructures and innovation clusters and the development of standards and open platforms for new applications and services.

Lack of Digital Literacy and Skills

Europe is suffering from a growing professional ICT skills shortage and a digital literacy deficit. These failings are excluding many citizens from the digital society and economy and are holding back the large multiplier effect of ICT takeup to productivity growth. This requires a coordinated reaction, with Member States and other stakeholders at its centre.

Missed Opportunities in Addressing Societal Challenges

By harnessing the full potential of ICT, Europe could much better address some of its most acute societal challenges: climate change and other pressures on our environment, an ageing population and rising health costs, developing more efficient public services and integrating people with disabilities, digitising Europe's cultural heritage and making it available to this and future generations, etc.

Sustained Commitment Required

The Digital Agenda for Europe frames its key actions around the need to systematically tackle these seven problem areas. The Commission will remain vigilant for the emergence of additional obstacles and will react accordingly. The Digital Agenda will require a sustained level of commitment at both EU and Member State levels (including at regional level). It cannot succeed without a major contribution by other stakeholders, including young "digital natives" who have much to teach us. This Agenda is a snapshot of actual and foreseeable problems and opportunities, and will evolve in the light of experience and of the rapid changes in technology and society.

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