European Committee of the Regions

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OPINION

Digital Europe for all: delivering smart and inclusive solutions on the ground

THE EUROPEAN COMMITTEE OF THE REGIONS

-   considers that the term "digital cohesion" is an important additional dimension of the traditional concept of economic, social and territorial cohesion defined in the EU Treaty. The CoR therefore proposes an open debate on the future role of digitalisation in promoting "cohesion" in the European Union. The aim would be to address societal challenges, while making sure not to leave any person or region behind;
-   calls for strong European cooperation between all levels of government in the EU to achieve better use, further enhancement and upscaling of a citizen-driven digital transformation in cities and communities;
-   stresses that the network of digital innovation hubs should be promoted throughout the EU, with a view to ensuring that each NUTS2 region has one hub, established with the support of the Digital Europe programme;
-   supports the proposal made by DG CNECT during the 2019 Digital Assembly to produce a "local DESI index" to complete the existing Digital Economy and Society Index (DESI) that is produced every year at national level; recommends close cooperation between DG CNECT, the European Committee of the Regions, the ESPON (the European Spatial Planning Observation Network) programme, and other initiatives and institutions to develop the concept for such an index, which then should be produced on an annual basis by DG CNECT alongside the national DESI index;
-   underlines the need to address the crucial issue of data, in itself and in the context of Artificial Intelligence, and the way it is handled by local and regional authorities. The Committee could contribute in this regard by facilitating the exchange of best practices and deepening the reflection on the management of personal and public data by local and regional authorities. The CoR calls for serious reflection on the principles of data circulation in the light of the challenges of protection and sovereignty of data of general interest vis-à-vis digital giants.

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Rapporteur

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Reference document

Opinion of the European Committee of the Regions – Digital Europe for all: delivering smart and inclusive solutions on the ground

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Introduction

1. draws up, at the request of **Finland's Presidency of the Council of the European Union**, robust proposals on how local and regional communities can develop and implement smart and inclusive digital solutions for every citizen, regardless of where they live in the European Union;

2. takes note of the proposals made by the CoR President and first Vice-President in the strategy document "Digital Europe for All"[1] for inclusion in the next European Commission's strategic agenda for developing the Digital Single Market;

3. would like the proposals to contribute to the **strategic approaches of the European Commission's Digital Europe programme,** which will determine the content of the work programmes and of specific funding applications for the 2021-2022 period; would like to provide input for the investment priorities of the Digital Europe programme: high-performance computing, artificial intelligence, cybersecurity, advanced digital skills and support for the widest possible deployment of digital technologies in different sectors of society.

Societal challenges to be addressed by digital solutions

4. is concerned that, while the priorities of the future Commission's political agenda underline the need to promote frontier technologies, such as artificial intelligence and the platform economy, they do not place enough emphasis on an inclusive Digital Single Market;

5. stresses that the sustainable success of the Digital Single Market requires that all citizens benefit from it throughout the European Union;

6. endorses the European Commission's proposal for a robust Digital Europe programme, which must, however, extend throughout the European Union via a regional digital innovation centre network funded under the programme, so that everyone has a reasonable opportunity to benefit from the exchange of information, peer-to-peer learning and the development of interregional partnerships;

7. considers that access to and active participation in the digital economy are key to successful local and regional development in the future;

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[1] COR-2019-03082-00-00-TCD-TRA.

8.   considers that the term "digital cohesion" is an important additional dimension of the traditional concept of economic, social and territorial cohesion defined in the EU Treaty. The CoR therefore proposes an open debate on the future role of digitalisation in promoting "cohesion" in the European Union. The aim would be to address societal challenges, such as demographic challenges, climate change and changing work environment, while making sure not to leave any person or region behind and fostering entrepreneurship;

9.   welcomes the phenomenon-based approach used by the Commission to harness research and innovation in the search for solutions to global challenges. Digital technologies are a key enabler in the EU Member States' efforts to deal with the significant societal challenges faced by local and regional authorities across the EU in areas such as climate change, demographic change and labour market change;

10.   highlights, in particular, the potential of existing and emerging technologies in the public sector in reducing administrative burdens and waste, cumulating efficiency gains and providing new solutions to societal challenges;

11.   endorses a vision of Europe where digital technologies, innovation, and artificial intelligence can provide Europe's people with competitive jobs, better health and quality of life, better public services and access to international knowledge flows;

12.   calls for strong European cooperation between all levels of government in the EU to achieve better use, further enhancement and upscaling of a citizen-driven digital transformation in cities and communities;

13.   notes that it is essential from an EU policy perspective to invest in the creation of innovative eco-systems, enhancing innovation in crucial technologies like AI, the Internet of Things (IoT) and 5G at local and regional level across the EU, and singles out regional smart specialisation strategies under the relevant EU funds as a key opportunity;

14.   considers it important for regions to be able to evaluate the status of existing hubs in the light of the criteria for and future tasks of digital innovation hubs. In order for SMEs and local government to truly benefit from hubs' expertise, hubs and their networks should operate efficiently on the basis of a high level of expertise and service. The regional and thematic coverage of the hubs and cooperation with local schools and universities and regional ecosystems are important for meeting the objective;

15.   stresses that the network of digital innovation hubs should be promoted throughout the EU, with a view to ensuring that each NUTS2 region has one hub, established with the support of the Digital Europe programme;

16.   notes that Europe's strength should be its ability to identify the opportunities provided by artificial intelligence and ethical issues, and reconcile these. Europe's core common values provide good opportunities for reconciling democracy and human rights with artificial intelligence. Ethical guidelines and a legal framework are needed for artificial intelligence;

17. underlines the need for local and regional authorities to engage in wide-ranging cooperation to improve interoperability of public administrations and improve the delivery of public services. Developing cross-border infrastructures, interoperability and common standards is one element of the Digital Europe program that can deliver real European added value. The interconnection of large European, national and regional infrastructures should continue. Calls to this effect for the continuation beyond 2020 of the ISA2 programme (Interoperability Solutions for European Public Administrations);

Empowering local and regional authorities

18. recalls that cities and regions – of all sizes and across Europe – must be part of the European digital transformation. Regions and municipalities have to make decisions on administrative re-evaluation, technical infrastructure, services and data policy. The Digital Europe programme should provide regional and local administrators with sectoral training programmes for advanced digital skills;

19. endorses the forthcoming declaration by Eurocities "Collaborate, Empower, Sustain" on joining forces to promote digital transformation in Europe's cities and communities, with the aim of fostering strong European cooperation between all levels of government in the EU to achieve a better use, further enhancement and upscaling of a citizen-driven digital transformation in cities and communities;

20. agrees with Eurocities that cities and communities are the ideal testing ground for digital solutions, ensuring coordinated stakeholder participation and active citizen involvement;

21. calls on local and regional authorities to foster dialogue between all layers of government and industry, employers and trade union organisations on working conditions and employee rights in an increasingly digitalised work environment, rethinking the EU Member States' employment policies in a way consistent with the latest technology-induced challenges;

22. notes that securing the supply of natural resources and reducing the carbon footprint are key aspects of sustainable development. It is possible to accelerate sustainable development through digitalisation and the introduction of smart solutions in business, in everyday life and in public services, in particular transport and energy efficiency;

23. calls on regional and local actors to use open source licences as far as possible. Software and software components commissioned by local government for its own needs should, in principle, be produced under a software licence allowing the client, in accordance with their wishes and needs, to edit, develop and distribute the product or have this done by a third party. This encourages the genuine creation of ecosystems and open, knowledge-based competition. Furthermore, most of the compensation in open source projects is paid to regional and local actors, not to parties outside the EU. Re-usable solutions increase trust and ensure transparency, thereby winning citizens' acceptance;

24. stresses that, in the context of interoperable public services, digital information processed by public administrations could be made in compliance with open specifications/standards and be

available for access and reuse as open data, unless specific restrictions apply (e.g. for protection of personal data, confidentiality, or intellectual property rights)[2]. It agrees to this effect on the need to "ensure a level playing field for open source software and demonstrate active and fair consideration of using open source software, taking into account the total cost of ownership of the solution"[3], while giving preference to open specifications;

25. supports the proposal made by DG CNECT during the 2019 Digital Assembly to produce a "local DESI index" to complete the existing Digital Economy and Society Index (DESI) that is produced every year at national level; recommends close cooperation between DG CNECT, the European Committee of the Regions, the ESPON (the European Spatial Planning Observation Network) programme and other initiatives and institutions to develop the concept for such an index, which then should be produced on an annual basis by DG CNECT alongside the national DESI index;

26. sees the local DESI index as an important tool for assessing the territorial impact and the steering of future EU policies to promote stronger digital inclusiveness and to identify specific challenges of digital inequalities. The CoR stresses that the local DESI index would also be useful for the cities and regions in Europe to identify common challenges and successful practices and to promote peer-to-peer learning and cooperation between cities and regions;

27. suggests – based on the positive experience with the WIFI4EU initiative – developing similar easy-to-use initiatives with limited administrative burden for the beneficiaries. A similar voucher scheme could be introduced for digital audits at local level where the participating local authorities would receive a voucher for an initial assessment of the availability and quality of digital services in the community, with the findings then being used for an informed debate in the local council and with local citizens. These audit reports should also be used to provide some advice to link up with similar initiatives in other local authorities in the EU and in accessing additional EU support if needed;

28. emphasises that the digital transformation needs to be built on a sustainable, competitive and human-driven data economy in the EU, which must be based on data quality and respect for the rights and privacy of the individual. Europe should develop a global approach and create a framework for data governance - considering data as public goods and resources for democracy and local development - as well as guiding data principles for tackling inconsistency and fragmentation;

29. calls for the strengthening of the protection of personal data, addressing in particular the issue of the application of the GDPR in areas of general interest, and stresses the need for a European definition of the notion of general interest data at the territorial level;

30. underlines the need to address the crucial issue of data, in itself and in the context of Artificial Intelligence, and the way it is handled by local and regional authorities. The Committee could

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[2] New European Interoperability Framework- Promoting seamless services and data flows for European public administrations (https://ec.europa.eu/isa2/sites/isa/files/eif_brochure_final.pdf).

[3] Idem.

contribute in this regard by facilitating the exchange of best practices and deepening the reflection on the management of personal and public data by local and regional authorities. The CoR further highlights the role of open data in spreading digital innovations for the territories, as a democratic counterpart and a source of revitalization of citizens' engagement. At the same time, it calls for serious reflection on the principles of data circulation in the light of the challenges of protection and sovereignty of data of general interest vis-à-vis digital giants;

Focus on the citizen

31. calls on all levels of government to work to increase citizen involvement and empowerment in the context of digitalisation, allowing them to play a role in the co-creation of new digital solutions addressing a variety of citizens' needs, especially in the context of smarter cities and community projects. Instead of technology-driven product development, attention should be paid to developing human-centric techniques, services and products, including user-centred design, co-creation and rapid piloting;

32. stresses that digitalisation is a matter of trust, without which it is not possible to develop public e-services or provide the necessary protection for consumers;

33. underlines the need to develop local public capacities in order to address digital challenges and to build the autonomy of local authorities in the face of digital giants. Creating local public and civil society platforms to provide, inter alia, digital training is a step in the right direction;

34. notes that, while opening up new opportunities for citizens to connect and disseminate information, digital technologies have also brought about new risks. These include cyber-attacks and fraud, data theft, threats to civil liberties and to public action especially at local level, and attempts to destabilise our democracies. It is crucial to invest in cybersecurity, as trust and awareness are the foundation for a Digital Europe for All;

35. highlights the importance of AI literacy, so that citizens can participate in the societal debate on AI and critically evaluate any claims made;

36. emphasises the importance of consumer protection as regards digital services. Enforcement and awareness of existing rules can improve people's access to justice and increase their trust in the e-commerce sector. The planned Digital Services Act, for example, should help ease the situation;

37. recalls that in 2017, 43% of the EU population did not have sufficient digital skills[4] and only one fifth of companies said that they had offered ICT training to their staff[5]. The Committee of the Regions stresses that local and regional actors should ensure that digital skills are developed systematically at all levels of education, from early education through to study leading to a vocational or academic qualification, and as an essential part of lifelong learning, by using the

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[4]   DESI 2019.

[5]   Enterprises providing training to their personnel to develop their ICT skills, 2017.

European Digital Competence Framework (DigComp) and other similar qualification frameworks for digital skills. The Committee stresses that digital education must develop at the same time critical thinking skills in order to enable digital technology users to be less passive in their consumption of content and to empower them to address rationally social uses of digital technologies;

38. calls for the sharing of good practices for developing digital skills outside the formal education system, in particular for vulnerable groups, by, among other things, making better use of digital skills initiatives such as the European Code Week, the Safer Internet Day initiative, the National Digital Skills and Jobs Coalition initiative and the Europass CV tool;

39. stresses that the digital transformation is changing working habits, job contents and professions, inevitably rendering some jobs obsolete, and therefore the public sector and business must be able to recreate themselves and retrain the workforce. A variety of measures and mechanisms are needed to continuously improve the skills of people in working life;

40. emphasises that accessible public online services and mobile applications must be such that all kinds of users in all situations can use them, regardless of disadvantage or disability. The Accessibility Directive must be implemented without delay;

41. recalls that digitalisation improves the accessibility of public services for people who are able and willing to use the Internet. At the same time, digitalisation may prove to be a challenge for those people who may need digital services the most, thus increasing the risks of digital inequality. Local authorities should therefore monitor the development of digital inequality and look for ways to prevent digital exclusion;

42. requires that a gender perspective be included in all digital measures. Welcomes initiatives such as the Digital4Her declaration, which promotes the integration of women into technology sectors.

Infrastructure

43. stresses the right to connectivity for every European citizen, enabling their participation in digital society and providing access to digital services. An embedded and pervasive digital infrastructure will allow everyone, regardless of location, to reap the benefits of the digital age. EU policy should in the future be geared towards reducing the cost of broadband network deployment and use in local communities, regardless of their size and population density;

44. points out the difficulty in implementing digital infrastructure in the outermost regions, due to their constraints and their distance from the European mainland. It therefore underlines the need to ensure that these regions, like other European regions including the remote ones, have a full right to connectivity;

45. underlines that digital services and eGovernment services require high-speed, uninterrupted broadband, which should also be available in areas where current commercial conditions do not support the building of connections. Fibre networks should preferably be built on an open-

access basis, where the network owner, for example a regional cooperative, allows all interested operators to offer their services to end-users. Existing optical fibre networks should be opened up to competition;

46. welcomes Digital Europe programme investments in advanced high-capacity digital infrastructure such as 5G networks, which are necessary to enable the deployment of digital services and technologies everywhere in Europe. The Committee considers that, in this context, broadband has an instrumental role to play in developing innovative and competitive digital services, provided that rapid 5G standardisation can ensure the interoperability of telecommunication networks;

47. underlines the need for reliable high-speed data connections in Europe, not only to support digital services and the data economy but also to fully utilise the potential of advanced technologies in areas such as automation and smart farming. When it comes to communications technologies for smart and interoperable systems and services, the principles of technology neutrality should be supported.

Funding and synergies with other EU policies

48. expects the new Digital Europe programme to earmark sufficient funds for skills, high-performance computing, innovation hubs and boosting the adoption of AI technologies;

49. proposes that the Digital Europe programme be implemented through extensive regional digital innovation hub networks, to be funded from the programme and included in strongly regional digital strategies that reach all sections of society (and funded under the ESIF programmes);

50. considers it important that the Digital Europe programme and other European programmes involving digital measures, such as Horizon Europe, Connecting Europe and ESF+, be put together in as clear and complementary a manner as possibly, so as to avoid duplication and achieve synergies.

Brussels, 9 October 2019

The President
of the European Committee of the Regions

Karl-Heinz Lambertz

The Secretary-General ad interim
of the European Committee of the Regions

Pedro Cervilla

II. PROCEDURE

Title	Digital Europe for all: delivering smart and inclusive solutions on the ground
Reference(s)	Referral by the Finnish Presidency of the Council of the European Union
Legal basis	TFEU Art. 307 (1)
Procedural basis	Rule 41(b)(1)
Date of Presidency letter	4 June 2019
Date of Bureau/President's decision	26 June 2019
Commission responsible	Commission for Social Policy, Education, Employment, Research and Culture (SEDEC)
Rapporteur	Anne Karjalainen (FI/PES)
Analysis	14 August 2019
Discussion in commission	n/a
Date adopted by commission	n/a
Result of the vote in commission (majority, unanimity)	n/a
Date adopted in plenary	9 October 2019
Previous Committee opinions	Digital Europe Programme (2021 to 2027)[6] European Digital Agenda[7] Digital Single Market[8] Digitising European Industry[9] Building a European data economy[10] Digital Single Market: mid-term review[11] Digital Education Action Plan[12] The importance of a more interconnected Europe, focusing on the potential of the ICT sector as a source of growth[13]
Date of subsidiarity monitoring consultation	n/a

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[6]   CDR 3951/2018.

[7]   CDR 104/2010.

[8]   CDR 2646/2015.

[9]   CDR 2884/2016.

[10]   CDR 853/2017.

[11]   CDR 3224/2017.

[12]   CDR 2710/2018.

[13]   CDR 4165/2014.