

OPINION

European Economic and Social Committee

Path to the Digital Decade

Proposal for a decision of the European Parliament and of the Council establishing the 2030 Policy Programme "Path to the Digital Decade" [COM(2021) 574 final – 2021/0293 (COD)]

INT/961

Rapporteur: Violeta JELIĆ Co-rapporteur: Philip VON BROCKDORFF









Referral European Parliament, 18/10/2021

Council, 26/10/2021

Legal basis Article 173 (3) of the Treaty on the Functioning of the European

Union

Section responsible Single Market, Production and Consumption

Adopted in section 13/12/2021 Adopted at plenary 19/01/2022

Plenary session No 566

Outcome of vote

(for/against/abstentions) 239/1/6

1. Conclusions and recommendations

- 1.1 COVID-19 has revealed the critical importance of technology for economic and health resilience, making the EU's digital transformation and sovereignty a matter of existential importance. The European Economic and Social Committee (EESC) therefore urges the EU to develop its digital sovereignty, which over the coming years is expected to be a crucial pillar of Europe's path to economic, social and environmental development.
- 1.2 The EESC highlights the fact that digital sovereignty must be based on global competitiveness, relying on solid cooperation between Member States, which is a necessary prerequisite for the EU to be a global standard-setter, including in the trustworthiness of technologies.
- 1.3 The EESC stresses the need for the digital transformation to take place in a sustainable, human-centred and inclusive way. To this end, the EESC deems it crucial to guarantee the involvement of civil society representatives, including the social partners, consumers organisations and other concerned stakeholders, in shaping, implementing and monitoring the policy programme and related national roadmaps.
- 1.4 Successful digital transformation requires excellence in technology and talent. Moreover, it requires a solid and comprehensive basis of digital skills and competences among all citizens. The EESC points out the need for specific attention to be paid to the people that are most vulnerable in terms of exposure to the digital gap, such as older people, persons with low-level qualifications, and persons with disabilities.
- 1.5 Technological excellence rests on a strong industrial basis, intensive innovation and investment. The EESC highlights the importance of investment in digital infrastructure and the development of the single market in data as essential enablers of proper digital development in all regions of the EU, among both citizens and businesses.
- 1.6 European companies need favourable conditions for innovation, investment and operation, compared to foreign competitors. While promoting innovative businesses, it must be ensured that all businesses, including micro-, small- and medium-sized enterprises and social economy enterprises, are encouraged and so they are able to become involved in and benefit from progress.
- 1.7 Being at the digital forefront requires cooperation between the private and public sectors. The EESC stresses the vital role of the public sector in digital development, through the digitalisation of public services and administration. This is a way to enhance not only the efficiency of these services but also to facilitate inclusive access to them.
- 1.8 The EESC considers multi-country projects as a valuable initiative aimed at promoting the EU's excellence in digital technology and strengthening its global position. This initiative would also help find solutions to challenges that require more resources than is possible for an individual Member State, besides disseminating good practices across borders. The Committee also welcomes the idea of the European Digital Infrastructure Consortium (EDIC) as a tool to combine EU and national funding with private financing for the purposes of the programme.

1.9 The EESC emphasises that multi-country projects should involve as many Member States as possible so as to support an interconnected, interoperable and secure Digital Single Market, and address any gaps in critical capacities across the EU. To this end, the EESC calls on the Commission to accelerate and steer projects in a way that ensures the best possible benefit from the point of view of the whole EU.

2. General comments

- 2.1 COVID-19 has revealed the critical importance of technology for economic and health resilience, making the EU's digital transformation and sovereignty a matter of existential importance. Rising US-China tensions are an additional incentive for the EU to develop its own digital capabilities; such tension risks becoming a battleground in the struggle for technological and industrial supremacy.
- 2.2 Against this background, it is necessary for the EU to take urgent action and develop its digital sovereignty, which over the coming years is expected to be a crucial pillar of Europe's digitalisation and economic growth paths and also to affect its security and global position. The EESC believes that digital sovereignty would help boost the EU's potential strengths and address strategic weaknesses in the sphere of technology. It could also become a game changer in the context of the single market and widen the use of open markets and supply chains to avoid over-reliance on proprietary systems.
- 2.3 The challenge is considerable, as the EU needs to start taking the lead in technology in a situation where EU Member States currently lack a common position on technology issues or even a shared understanding of the strategic importance of digital technologies, such as broadband rollout or the application of AI.
- 2.4 Digital transformation is also a matter of EU values and a way of using modern technologies to economically, socially and environmentally enhance sustainable development, including the creation of quality jobs and the transition to a circular and carbon-neutral economy. The EESC welcomes the emphasis on a human-centred and inclusive approach to digital transformation, with due regard for the interests of consumers, workers, entrepreneurs and society at large, including protection of privacy and data protection, security of information and communication technologies, and energy and material efficiency of digital systems.
- 2.5 The EESC welcomes the Commission's proposal for a decision to establish a 2030 policy programme entitled "Path to the Digital Decade" as part of the State of the Union 2021 address and as a follow-up to the communication on "The 2030 Digital Compass" and the preceding digital strategy. The EESC has previously submitted its opinion on the communication¹.
- 2.6 The EESC highlights the fact that digital sovereignty needs to be based on competitiveness that relies on solid cooperation between Member States, accompanied by the intrinsic involvement of civil society stakeholders, including businesses, workers, consumers, academia and other

-

OJ C 374, 16.9.2021, p. 22.

relevant stakeholders. Success in global competition, and avoiding protectionism and isolation, are a prerequisite for the EU to be a global standard-setter, including in the trustworthiness and human-centrism of technologies. This requires excellence in technology and talent. Moreover, it requires a solid and comprehensive basis of digital skills and competences among all citizens.

- 2.7 Investment in digital infrastructure and the development of the single market in data are essential and necessary enablers of proper digital development in all regions of the EU. A rule-based and level playing field for digital activities is important at international level as well. At the same time, it is increasingly important to pay due attention to cybersecurity along whole value chains.
- 2.8 Technological excellence rests on a strong industrial basis, intensive innovation and investment. European companies therefore need an overall business environment that provides them with favourable conditions compared to foreign competitors. While promoting innovative businesses, it must be ensured that all businesses, including micro-, small- and medium-sized enterprises and social economy enterprises, are encouraged and supported to be able to get involved in and benefit from the progress.
- 2.9 Being at the digital forefront requires cooperation between the private and public sectors. The EESC stresses the vital role of the public sector in digital development, through the digitalisation of public services and administration. This is a way to enhance not only the efficiency of services but also to facilitate inclusive access to them.
- 2.10 Against the above backdrop, the EESC finds the four priority areas of action set up in the Digital Compass skills, infrastructure, businesses, public sector to be of high relevance in the digital transformation. The EESC also believes that concrete targets for each priority area help guide and follow progress. However, it is at least as important to create enabling and supportive conditions to implement the specific measures that are needed to achieve the targets.
- 2.11 Financing is one of the central enablers of digital development. Both public and private financing play an important role in facilitating investment in research and innovation, education and training and technical infrastructure. The regulatory framework is another general factor shaping digital development. The EESC deems it important that regulation encourage innovation and investment in digitalisation, in alignment with human rights and environmental and climate objectives.
- 2.12 The EESC believes cooperation and coordinated action between Member States to be vital in order to use resources more efficiently and to enable large-scale investments that cannot be made by individual countries only. Cooperation is also crucial for being at the digital forefront on a global scale. The EESC also agrees with the proposal to shape the digital path using a cross-sectoral approach and integrating all relevant policy areas such as research and innovation, industrial, education, economic, social and employment policies.
- 2.13 However, it must be ensured that all citizens are included in the digital transition and efforts. In this regard, the proposal needs to take due account of the most vulnerable people with respect to exposure to the digital gap. Special attention should therefore be paid to the needs of older

- people and persons with disabilities, with regard to training, skilling and accessibility requirements for digital services.
- 2.14 To ensure the inclusive adoption and implementation of the programme, and in shaping, implementing and monitoring the policy programme and related national roadmaps, the EESC considers it crucial to guarantee the involvement of civil society representatives, not just social partners, but also consumers' organisations and other interested stakeholders.

3. Specific comments

3.1 The EESC welcomes the Commission's vision and avenues for Europe's digital transformation as this promotes coordinated action across the EU by setting a monitoring and cooperation mechanism for directing and enhancing policies, measures and action to reach the digital targets of the EU through cooperation between Member States.

3.2 General objectives

- 3.2.1 The EESC deems the general objectives stated in the proposal to be relevant for enhancing digital development in an effective way, in line with the principles and aspects pointed out in the general comments above.
- 3.2.2 The EESC highlights that the general objectives provide a qualitative framework for the quantitative digital targets and, as such, they need to be closely monitored together with the targets, to ensure that the targets are met in a way that fulfils economic, social and environmental objectives.

3.3 **Digital targets**

- 3.3.1 The EESC considers the four priority areas and their targets to be mutually supportive and emphasises that they need to be developed in their entirety. For example, adequate skills and proper infrastructure are enablers for the development of businesses and public services.
- 3.3.2 The EESC calls for ambitious targets for increasing the number of people that have at least basic digital skills and believes that all people should have the opportunity to acquire basic digital skills, including cybersecurity skills. Persons with low-level qualifications and older people must not be left behind in this process. This should be facilitated by means of the EU and national funding, for example through the European Social Fund.
- 3.3.3 In addition to the target for basic skills, the EESC highlights the need to increase vocational digital skills to respond to the skills gap and meet the demands of working life.
- 3.3.4 From the point of view of strengthening digital excellence, the EESC supports a considerable increase in the number of highly-skilled digital professionals employed. The EESC also finds it crucial to enhance convergence between women and men, so as to unleash the whole potential of society in this respect. In addition to domestic professionals, it is useful to attract foreign talent through research cooperation projects.

- 3.3.5 As proper infrastructure is a prerequisite for any digital development, the EESC fully endorses the target of all European households being covered by reliable and fast connections. This is equally important for all businesses. Moreover, businesses and consumers are ever-more interconnected through digital products and services.
- 3.3.6 To strengthen the EU's global position and reduce the dependency on foreign technology, the EESC endorses the target of enhancing the production of semiconductors in the EU, while stressing the need to enhance the production of other industrial components as well. The same holds true for the enhancement of quantum capabilities, including the rapid introduction of a quantum computer and the deployment of edge nodes.
- 3.3.7 As businesses play a central role in the digital transformation, the EESC deems it essential to encourage the uptake of digital technologies in all enterprises. The EESC endorses the target of 70% uptake, but believes that the technologies should neither be defined in detail nor exclusively, as this would risk preventing innovation. Although AI, cloud computing services and big data are relevant as strategic technologies today, new technologies will continue to develop tomorrow, and the EESC recommends that the aforementioned target be technologyneutral.
- 3.3.8 While it is important to enhance the uptake of AI and other advanced technologies, it must also be recognised that SMEs have big challenges in adopting even basic digital technologies. Special attention needs to be paid to micro-enterprises, which are the biggest group of enterprises in number, but have the least resources. Moreover, the specificities of social economy enterprises also need to be taken into consideration.
- 3.3.9 The EESC endorses the enhancement of innovative start-ups and scale-ups by improving their access to finance. Given the major share of other kinds of SMEs, it is also crucial to support them in the digital transformation.
- 3.3.10 The targets for the digitalisation of public services are highly welcome from the point of view of both citizens and businesses. The EESC also notes that the digitalisation of businesses and public services is closely linked and that they serve each other.

3.4 Monitoring and reporting

- 3.4.1 The EESC welcomes the move to set out key performance indicators for each digital target, to enable the monitoring of progress in a comparable and transparent way. The EESC stresses the need to avoid overlapping data collection and to make use of existing sources and systems to the greatest extent. The Digital Economy and Society Index (DESI) provides a relevant basis for the work.
- 3.4.2 The EESC deems it important that the annual report on the state of the digital decade help follow the progress and identify problems at both EU and national levels. Moreover, the report should help Member States to benchmark their action and learn from each other.

3.5 National roadmaps and their assessment

- 3.5.1 National strategic roadmaps are at the heart of the policy programme and thus of major importance for digital development in the EU. It is therefore important to support Member States in this effort. While Member States obviously need guidance on how to assess and predict the impact of planned policies, measures and action, it is even more important to provide support for the measures and action themselves.
- 3.5.2 The proposal for the policy programme is based on EU-level targets, which means that there are no absolute targets for individual Member States. It follows that the process of assessing national roadmaps and their success in achieving the EU-level targets is very demanding.
- 3.5.3 The EESC deems Union-level projected trajectories to be a useful tool in outlining future developments in a rough way. However, one should avoid making over-simplified conclusions or recommendations based on them.
- 3.5.4 While the yearly assessment and cooperation process between the Commission and the Member States is important, the EESC believes that exchanging good practice, carrying out peer reviews and creating multi-country projects between Member States are productive ways of encouraging progress.
- 3.5.5 Given that there are several parallel processes that aim to implement EU-level targets in various policy fields, the EESC stresses the need to ensure policy coherence and avoid multiple and overlapping efforts. While keeping up the sense of urgency, it is also worth weighing up whether the process needs to be repeated on an annual basis, considering that many measures take a longer time to implement.

3.6 Multi-Country Projects

- 3.6.1 The EESC considers the multi-country projects as a valuable tool to strengthen the EU's excellence and global position in selected areas. They may also help in finding solutions to challenges that require more resources than an individual Member State can offer. Moreover, multi-country projects are one way of disseminating good practice across borders.
- 3.6.2 Rather than only contributing to the fulfilment of digital targets, multi-country projects should always aim to create true added value for participating countries and for the EU as a whole. The EESC considers that projects on innovation, infrastructure and skills development best meet this requirement.
- 3.6.3 The EESC emphasises that this cooperation mechanism must not increase any division within the EU but, on the contrary, result in a stronger Union. To this end, it is important that all Member States be offered an opportunity to participate in a multi-country project, on the basis of their interests and their financial and non-financial contribution. The EESC calls on the Commission to accelerate and guide the projects in a way that ensures the best possible benefit from the point of view of the whole EU.

3.7 European Digital Infrastructure Consortium (EDIC)

- 3.7.1 The proposal introduces the possibility of establishing European Digital Infrastructure Consortium (EDIC) for the implementation of a multi-country project, to be adopted by the Commission upon an application from at least three Member States. The EESC welcomes the idea of the EDIC as a tool to combine EU and national funding and private financing for the purposes of the digital decade policy programme.
- 3.7.2 Like the multi-country projects themselves, implementation of the EDIC must be inclusive, allowing any Member State to join the consortium as a member, on reasonable terms or as an observer. All in all, the statutes of the EDIC need to be clear and define the roles of the Member States, the Commission and other participants, such as international organisations or private entities.

Brussels, 19 January 2022.

Christa SCHWENG

The president of the European Economic and Social Committee