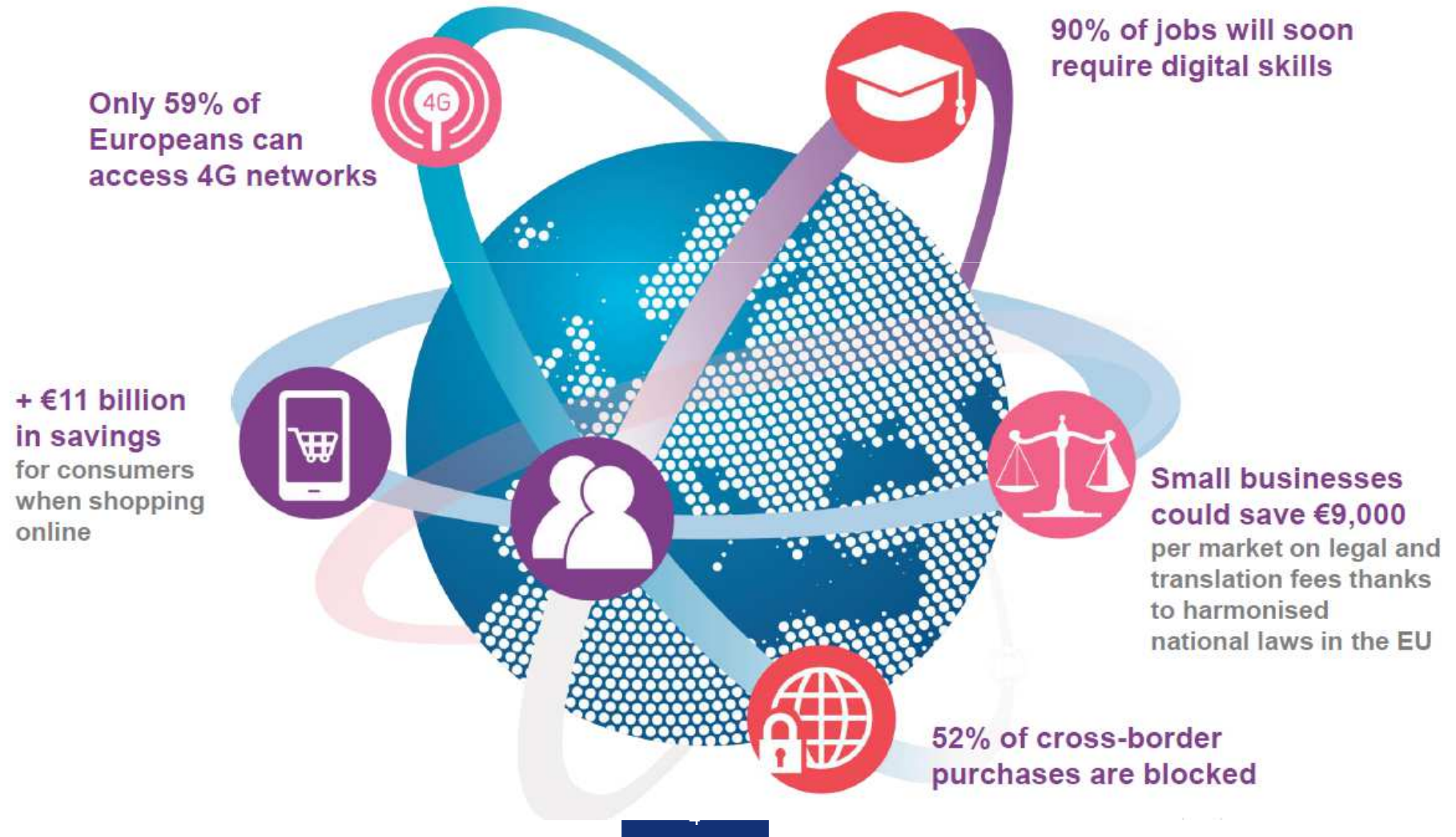# 17th Forum of the Adriatic Ionian Chambers of Commerce & 18th Forum of the Adriatic and Ionian Cities

7th-9th June 2017

Michael Berz

DG for Internal Market, Industry, Entrepreneurship and SMEs
Unit GROW.F.3 – KETs, Digital Manufacturing and Interoperability

WHY DO WE NEED A DIGITAL SINGLE MARKET?

Only 59% of Europeans can access 4G networks

90% of jobs will soon require digital skills

+ €11 billion in savings for consumers when shopping online

Small businesses could save €9,000 per market on legal and translation fees thanks to harmonised national laws in the EU

52% of cross-border purchases are blocked

![European Commission logo]

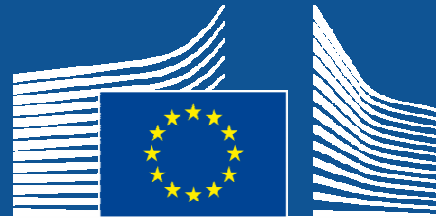# Digital matters to European economy

75%

75% of the **economic value** created by the Internet arises from traditional companies

1,5m

1.5m **additional jobs** would be created in the EU Internet Economy, if the entire EU mirrors the performance of US or Sweden
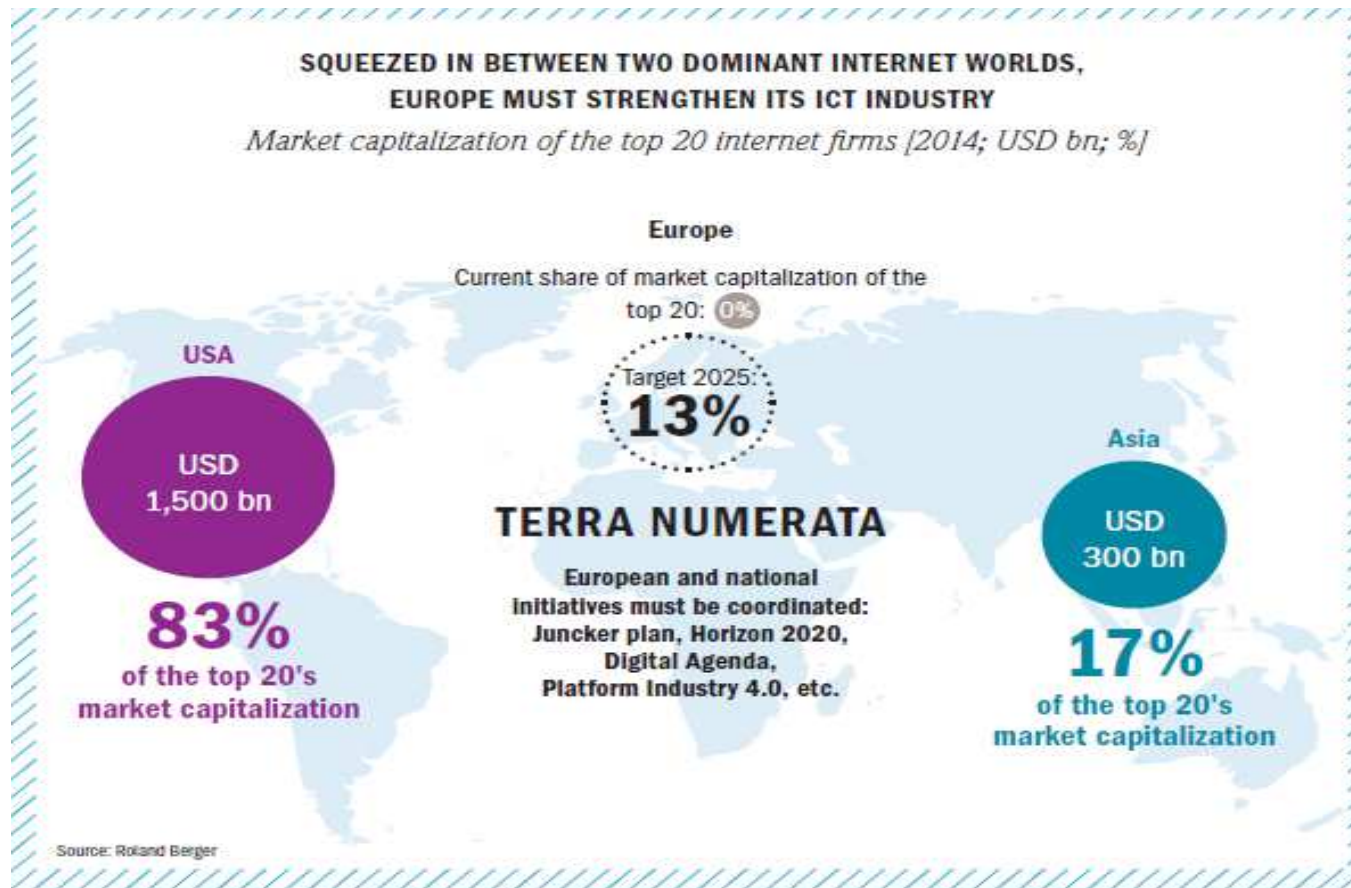
2-3x

SMEs **grow** two-three times **faster** when they embrace digital means

4th Industrial Revolution – Clash of the Titans

SQUEEZED IN BETWEEN TWO DOMINANT INTERNET WORLDS,
EUROPE MUST STRENGTHEN ITS ICT INDUSTRY

Market capitalization of the top 20 internet firms [2014; USD bn; %]

Europe

Current share of market capitalization of the top 20: 0%

Target 2025:
13%

USA

USD
1,500 bn

83%
of the top 20's
market capitalization

TERRA NUMERATA

European and national
initiatives must be coordinated:
Juncker plan, Horizon 2020,
Digital Agenda,
Platform Industry 4.0, etc.

Asia

USD
300 bn

17%
of the top 20's
market capitalization

Source: Roland Berger
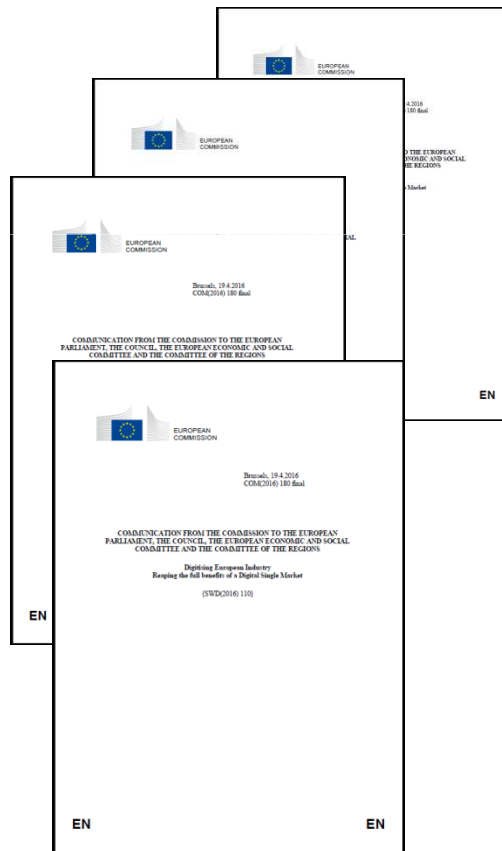
DSM technologies and public services modernisation package
Communications adopted on 19 April 2016

➢ **Communication on Digitising European Industry: Reaping the full benefits of a Digital Single Market**

➢ **Communication on a European Cloud Initiative-Building a competitive data and knowledge economy in Europe**

➢ **Communication on an EU e-Government Action Plan 2016-2020. Accelerating the digital transformation of government**

➢ **Communication on Priorities of ICT Standardisation for the Digital Single Market**

Digitising European Industry

To facilitate coordination of European, national & regional initiatives
such as Industrie 4.0 (DE), Smart Industry (NL) (SK), Nouvelle France Industrielle (FR)

Mainstreaming digital innovation across all sectors:
Setting up a pan-European network of Digital Innovation Hubs

Strengthening leadership in digital technologies
- Public-Private Partnerships
- Industrial platforms
- Large scale pilots & test beds

Preparing People for the digital age: Skills & Training

Regulatory framework:
- Free flow of data & data ownership
- Safety & liability of autonomous systems & Internet of Things

Challenges & opportunities of the **Internet of Things**

CLOUD

European Cloud Initiative in a data-driven economy:
- European Open Science Cloud
- European Data Infrastructure
- Widening access & building trust

High Performance Computing

Quantum

STANDARDS

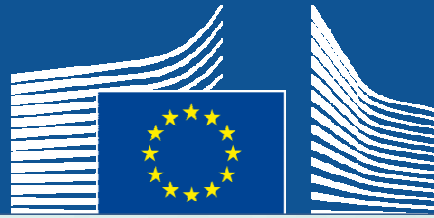**Fast development in 5 priority areas:**
- 5G
- Cloud Computing
- Internet of Things
- Data Technologies
- Cybersecurity

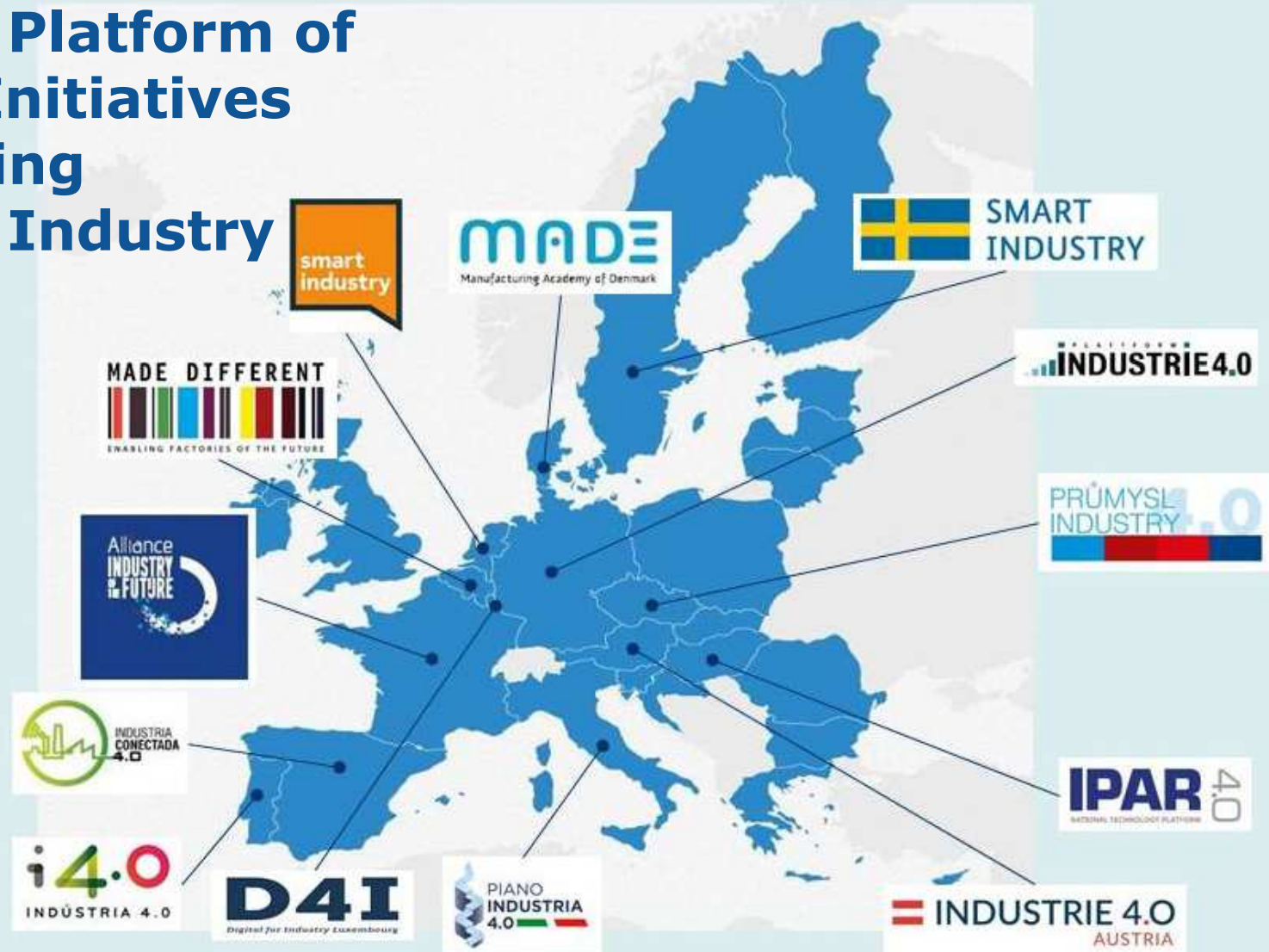### DIGITAL PUBLIC SERVICES

eGovernment Action Plan:
- New Digital Single Gateway
- eJustice Portal
- "Once-only" principle in Administrations
- Cross-border Health services
- eProcurement & "Once-only" in public procurement

European Platform of National Initiatives on Digitising European Industry

European Platform of National Initiaves on Digitising European Industry

High Level Roundtables

➢ Representatives MS, industry, social partners; twice a year

➢ Preparatory activities in specific working groups

- WG1 Mainstreaming digital innovation across all sectors (Digital Innovation Hubs)
- WG2 Leadership in digital technologies value chains and platforms
- Linkages with existing working structures for discussions on 'Jobs and Skills', 'Regulatory issues such as data economy' and ICT Standardisation'
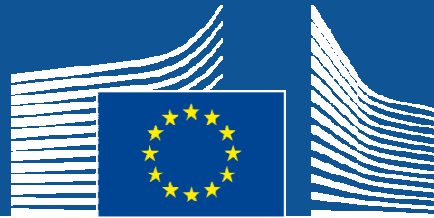
European Stakeholder Forum, 1st Forum on 31 Jan/1 Feb 2017 in Essen

➢ Public event, held once per year and co-hosted by MS

Digital Day' on 23 March, in Rome

➢ EU Platform of National Initiatives' on digitising industry

# Digital Innovation Hubs - Mainstreaming digital innovation across all sectors

Roundtable on Digitising European Industry

Working Group 1
Digital Innovation Hubs: Mainstreaming Digital
Innovation Across All Sectors

Third Report
April 2017

The Digital Innovation Hub Model

Sector specific expertise

Technology expertise

Business model expertise

Digital innovation hub

Solution

A Blueprint for Digital Innovation Hubs

To operationalise Digital Innovation Hubs in Europe, offering 'a recipe' for any national or regional authority or innovation inter-mediary wishing to establish a DIH or expand an existing initiative.
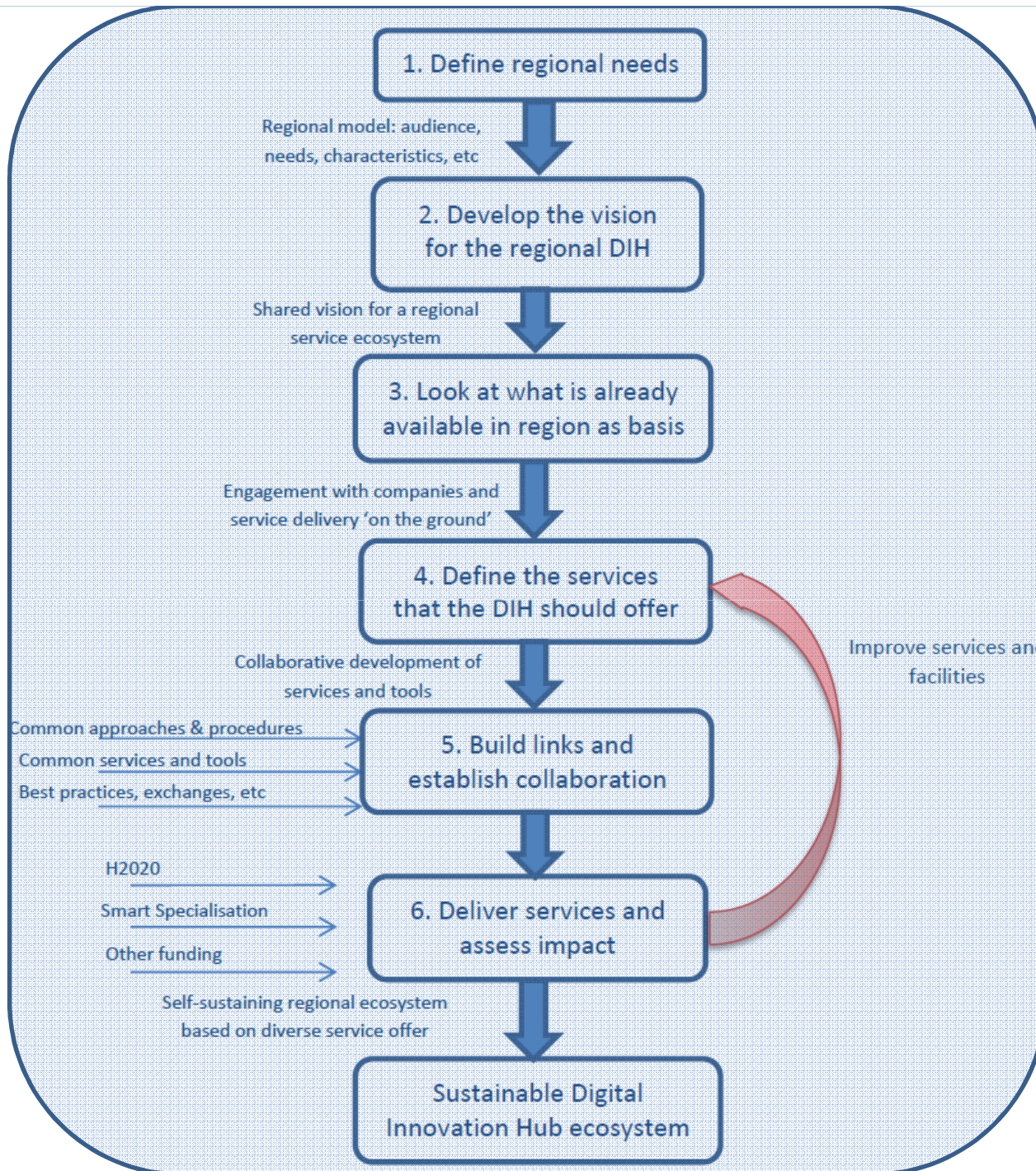
A Blueprint for Digital Innovation Hubs

	European Commission	Member States & regional authorities	Innovation intermediaries*	Industry
Rec 1: Develop the information base	◉◉◉	◉	◉	◉
Rec 2: Share experiences across MSs & regions	◉◉◉	◉◉	◉	◉
Rec 3: Ensure high-level political support	◉◉◉	◉◉		
Rec 4: Utilise H2020 funding		◉◉◉	◉◉	◉◉
Rec 5: Launch pilot actions for collaboration and LSIs	◉◉	◉◉◉	◉◉	◉
Rec 6: Intensify outreach to regions		◉◉◉	◉◉	◉
Rec 7: Mobilise Member State investment		◉◉◉	◉◉	◉
Rec 8: Activate the European DIH network		◉◉	◉◉◉	◉◉

◉◉◉ = Lead responsibility; ◉◉ = Major participant; ◉ = Minor participant

* includes existing DIHs and CCs.

Digital Innovation Hubs Catalogue

Comprehensive information on the digital innovation hubs in Europe to give any SME or industry access to the exact competence fitting its needs in order to digitize its products and services.

https://ec.europa.eu/eusurvey/runner/Questionnaire
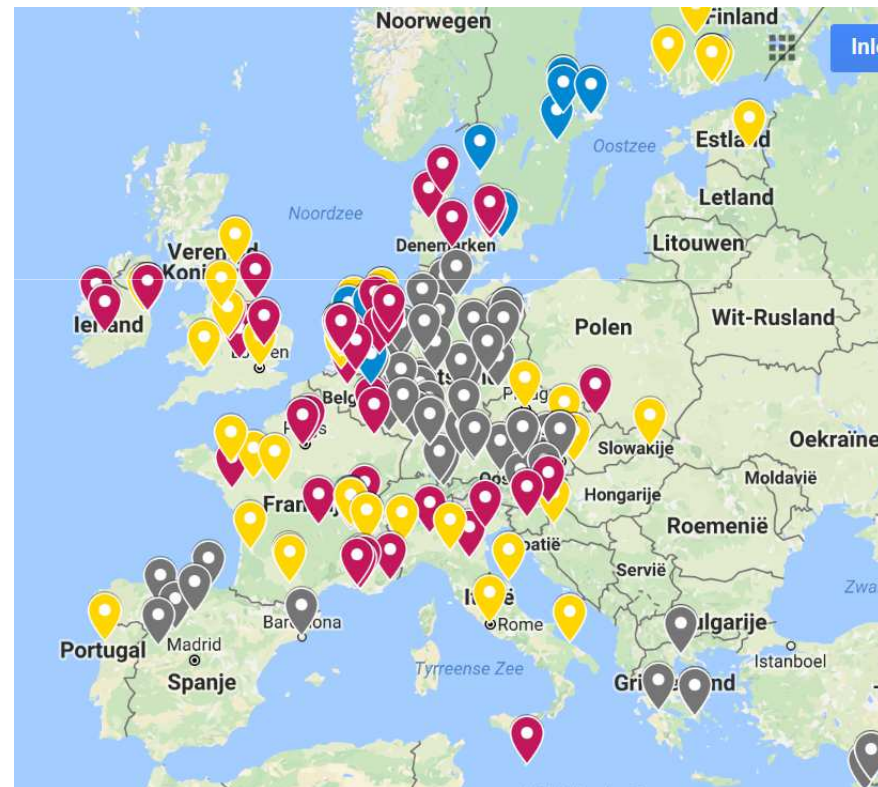
Digital Transformation Monitor

European Commission

The Digital Transformation Monitor (DTM) aims to foster the knowledge base on the state of play and evolution of digital transformation in Europe. The DTM provides a monitoring mechanism to examine key trends in digital transformation. It offers a unique insight into statistics and initiatives to support digital transformation, as well as reports on key industrial and technological opportunities, challenges and policy initiatives related to digital transformation.

Smart Specialisation Platform for Industrial Modernisation
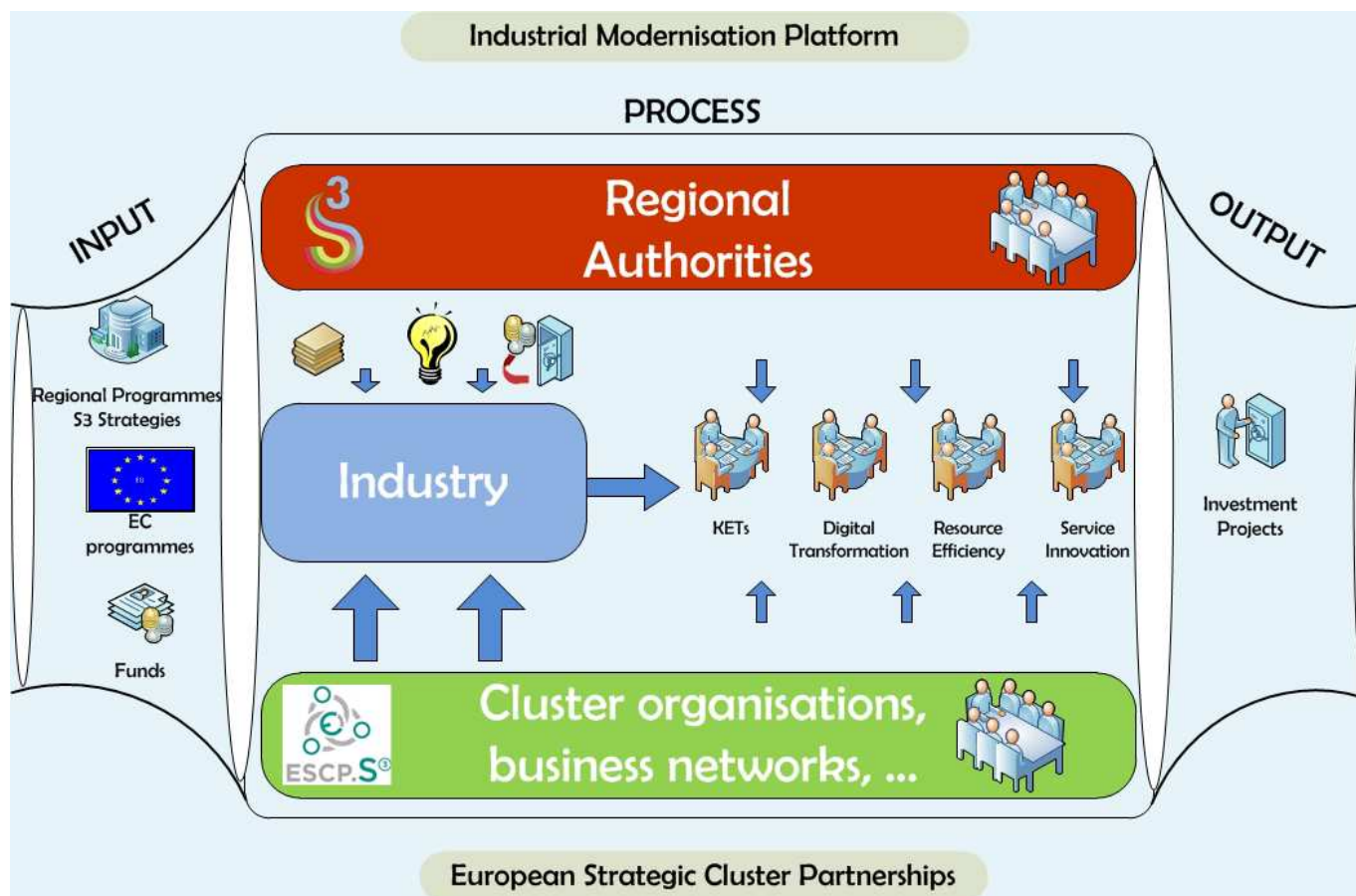
http://s3platform.jrc.ec.europa.eu/industrial-modernisation
www.clustercollaboration.eu/news/call-expression-interest-towards-european-strategic-cluster-partnerships

**Upcoming initiatives by the EC:
Transforming Regions and Cities into poles of Digital
Transformation**

Cities can create the right environment **to accelerate the
digital transformation**
of businesses, organizations, public administrations and
improve the lives of their citizens.

Blueprint for cities and regions

✓ **Creation of the right environment** to accelerate the digital transformation of businesses and organisations and improve the life of citizens

✓ Based on analysis of qualitative data collected from **different city stakeholders acting in different contexts** and in territories with uneven levels of economic and digital maturity

Digital transformation initiatives and best practices

There is significant scope for businesses, organisations and citizens from the same or different territories to collaborate and learn from one another. The examples below provide illustrations of different initiatives, collaborative projects, organisational structures, policy measures and programmes created by ambassadors for digital transformation at the local level. The uptake of similar initiatives is key to accelerate the digital transformation of Europe's cities and regions.

Espoo

Reimagining logistic enabling KoKin employees to find new jobs and launch their ventures

- "KoKin launched the "Bridge" programme in 2016 to provide new career opportunities for laid-off employees.
- The city of Espoo, along with the national government collaborative strategies in mobility have assist laid-off employees in their entrepreneurial ventures. The programme contributed to the creation of more than 400 companies in Finland with 40% of firms operating in the ICT sector.

Tallinn

Collaborating to design ubiquitous urban digital services

- Tallinn is cooperating closely with the city of Helsinki and through this cooperation it has been able to achieve many successes in the fields of energy, transport and smart cities integrated solutions.
- The FINEST Twins Center of Excellence (CoE) is set to become the first EU cross-border Smart City center of excellence and demo lab.

Łódź

Creating supportive environments for entrepreneurs and technology industries

- Łódź Special Economic Zone facilitates investments, especially renovation ones, to transform industries supporting them in its connection with research and development.

Trento

Opening up and using mobility data to improve user experience

- OpenMove is a smart mobility solution ideated by a local start-up, Lucien Srl, to optimise public means of transport services.
- The major step that led to the development of OpenMove was the decision taken by the Trentino Alto Adige region to make mobility data open to the citizenship. Through Open Move App, online, bus, and cash. Unlims both for urban and intra-urban routes; the validation is possible on-board by showing the QR code.

Lund

Connecting actors and problem owners in an open innovation process

- Future by Lund is an innovation platform stimulating an entrepreneurial culture through its focus on three challenges faced by the city: mobility, smart energy systems, and lighting and illumination
- Future by Lund does not only connect local stakeholders, the platform also serves to accelerate development of their digital installation in an open innovation process.

Hamburg

Going digital to enhance the efficiency of businesses

- smartPORT logistics (SPL) is one of the most innovative digital solutions of the port of Hamburg
- The SPL Commercial Logistics based solution manages the traffic by interconnecting business, partners and customers of the port.

Nice

Tracking the latest technological advances to anticipate changes

- As an advisory board gathering representatives from local businesses and chaired by the president of Amadeus, the global IT company, was created by the economic development agency of the French territory "Côte d'Azur". This strategic board enables the leaders of the agency to keep pace with new technological trends, which are likely to have an impact on the region's economy.

Amsterdam

Bringing together local ambassadors and community stakeholders to drive the "global" sharing economy

- Amsterdam Sharing City acts as a joint initiative connecting different local installations sharing the opportunities of the sharing economy in the city.
- Amsterdam is Sharing City.
- The income that the city's Sharing City ecosystem and businesses, such as the homesharing platform Peerby. It also offers extensive digital infrastructures, services and tools which have enabled the Sharing City to come alive.

Luxembourg

Public-private partnership for digital reskilling

- The "Webcoding" programme was established by Luxembourg's job centre with the support of major companies and co-financed by the European Social Fund.
- The coding course is offered at a new WebForce3 school operated at the Beluux Technoport and it provides job seekers with the required skills to work as integrators or junior developers

Bristol

Opening up access to city data to facilitate the development of new solutions to local urban problems

- Bristol City Council is set to transform Bristol into one of the most important "Internet of Things" models in the world, assisting international cities in their quest to become smarter and more digitalised
- The council intends to establish the first open smart city operating system that is pre-tested standards. The system will also offer standards to meet the demand of digital services provider.

Barcelona

Redesigning the human habitat with the help of digital technologies

- The Fab Lab Barcelona is one of the leading laboratories of the worldwide FabLab network.
- Fab Lab Barcelona currently supports and/or develops initiatives of different scales, from distinct devices for data collection by individuals, to the development of the new generation of Fab Labs in the Green Fab Lab project or the new production models for cities with the Fab City project.

New York

Commercialising technologies and intellectual property

- NYU's seed-stage venture capital fund invests exclusively in startups based on technology developed from current NYU students, faculty members, and researchers

Lisbon

Nurturing entrepreneurs to guarantee their success

- The Startup Lisboa business incubator selects the most innovative and promising startups on mobile, software development, web platform, marketplace.
- The private non-profit organization developed by the Lisbon Municipality provides entrepreneurs and companies with office spaces and a support structure, thus maximising their chances of success

European Commission

L Leadership and collaboration for a smart governance of the local digital ecosystem

S Digital skills & entrepreneurs to accelerate the digital transformation process

Are you a digital ambassador in your city and region?

I Key infrastructures and investments for digital launch pads

T Access to data and technologies for applied solutions to local challenges

www.digitallytransformyourregion.eu

Intrapreneurs in large companies
Mayors and Presidents of regional councils
Cluster managers
Managers of intermediary organisations
Creative and cultural actors
Citizens and NGO representatives
Researchers & academics
Investors
City managers
Social partners
Journalists
CEOs of SMEs
Entrepreneurs and founders of start-ups

Upcoming initiatives by the EC:
Transforming Regions and Cities into poles of Digital Transformation

Overall Budget : 2.8 million EUR

Call for Expression of Interest for Cities in June 2017

Development of digital local ecosystems

Development of EU-wide interregional collaborations

Upcoming initiatives by the EC:
Transforming Regions and Cities into poles of Digital Transformation

The objective is to:

- join-up regions and cities in a dynamic Network, support experimentation, cross-regional partnerships and joint investments in digital transformation in the context of the Smart Specialisation Platform on Industrial Modernisation.

- Provide high-level professional expertise and advisory services to help some 15 model regions and cities develop initiatives on smart sustainable growth, digital skills and entrepreneurship, access to data and technologies and new technological infrastructures (cyber-physical systems).

- Identify the main obstacles and challenges for the creation of innovation ecosystems and underline the key success factors of the strategies and common projects being implemented.

Upcoming initiatives by the EC:
Big Data and B2B platforms: the next big opportunity for Europe (COSME 2017)

Objectives:

- accelerate the uptake of data-driven business models and sector-specific B2B platforms by European SMEs;

- stimulate strategic investments on European data infrastructures and facilitate use of relevant EU and national funding programmes;

The action focuses on marketable infrastructures and pilot projects. It shall:

- develop **common guidelines on safe data usage**.

- explore the feasibility of, pilot, promote and stimulate strategic investments in high-impact projects for:

  - **connected and automated driving**

  - **Unified European diabetes-related data-sets and applications**

- identify market deficiencies, regulatory and other technical of trade barriers and formulate policy recommendations and actions plans for coordinated EU and national policy actions.

Blueprint for Sectoral Cooperation on Skills

New Skills Agenda for Europe (10 June 2016)

Sectoral skills partnerships, in industry and services, will be set up at EU level and then rolled out at national (or, when relevant, regional) level to:

- *Improve skills intelligence and tackle skills shortages in economic sectors;*

- *Mobilise and coordinate key players;*

Watify is

an awareness-raising campaign to support the EU efforts to **stimulate the modernisation of Europe's industry** by:

- *Boosting the **technological transformation** of European SMEs*

Watify
Boosting Technological Transformation

- *Supporting Europe's regions to translate their smart specialisation strategies in the areas of **digitisation and KETs** into **concrete projects.***

boost and facilitate

240
AWARENESS EVENTS
in regions and cities across Europe

connect

40
MATCHMAKING EVENTS
for smart cooperation and investment
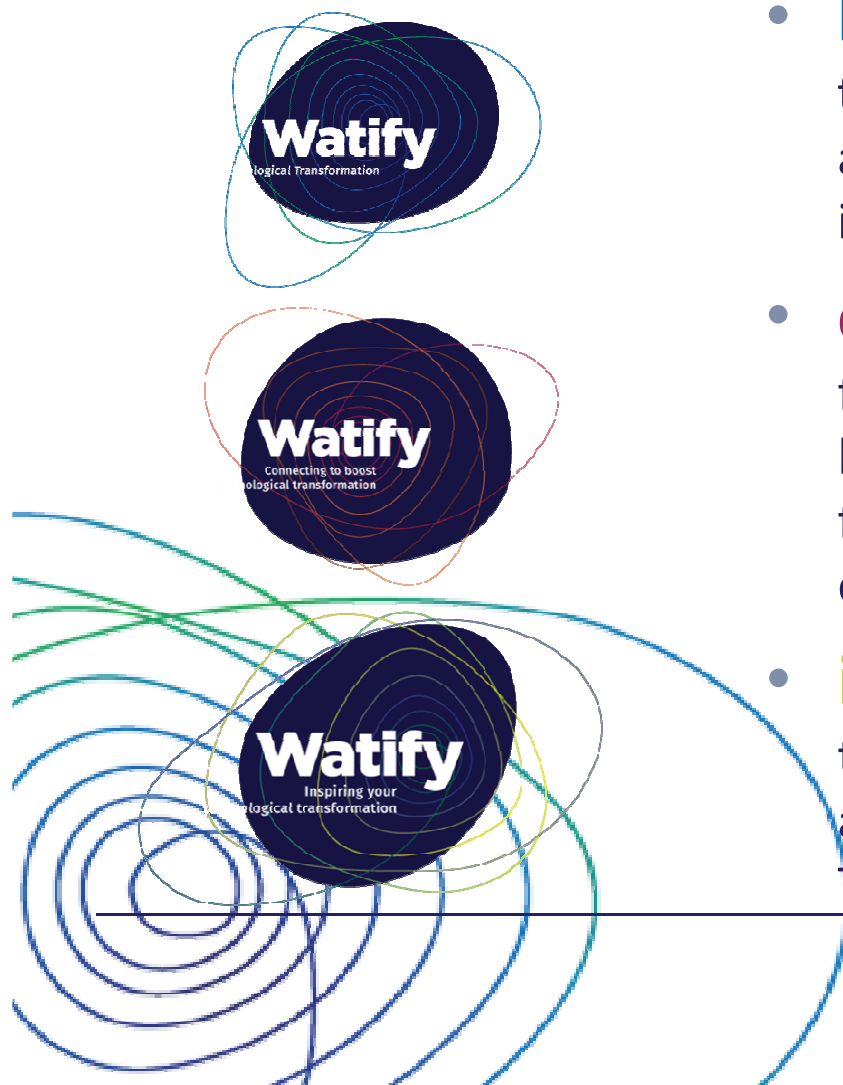
inspire

100
SUCCESS STORIES
of technological transformation

How?

- **boost and facilitate** technological transformation in SMEs and between regions and cities through business and regional intermediaries.

- **connect** SMEs and stakeholders by facilitating the sharing of best practices, lessons learnt and new transformation ideas for advancement and by encouraging collaboration on joint projects.

- **inspire** SMEs and local stakeholders to transform and work together to take full advantage of digitisation and Key Enabling Technologies (KETs).

Further reading

Digital transformation of industry and enterprises:

http://ec.europa.eu/growth/industry/digital-transformation_en

https://ec.europa.eu/growth/industry/digital-transformation/role-cities-regions_en

Digital Transformation Monitor

https://ec.europa.eu/growth/tools-databases/dem/monitor/

Digital Transformation Scoreboard 2017

http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=9076

Reports of the Strategic Policy Forum on Digital Entrepreneurship:

http://ec.europa.eu/growth/industry/digital-transformation/strategic-policy-forum-digital-entrepreneurship_en

Blueprint for cities and regions as launch-pads for digital transformation

http://www.digitallytransformyourregion.eu/

Thank you !

Visit **watify.eu**
Contact: info@watify.eu