Digitisation, the use of ICT and access to broadband

Context: The importance of broadband & ICT & investments

- Digital technology, Information and Communication Technologies (ICTs) have crucial role in developing and transforming businesses.
- In order to improve the level of digitisation the European Commission set the Digital Agenda for Europe and the Digital Single Market (DSM) strategy. Its main objective is to develop a digital single market in order to generate smart, sustainable and inclusive growth in Europe.
- There are different EU funding instruments available to Member States to improve access to broadband including the Connecting Europe Facility (CEF, €170 million) and the European Funds for Strategic Investments, including ERDF (€17.8 bn) and the EAFRD (€1.5 bn euro).
- The Cork 2.0 Declaration states ‘that the rural economy and rural businesses will depend increasingly on digitisation as well as knowledge workers who make the most of the digital transformation and enhance rural production in a sustainable manner’.

Definition: Digital Divide

The ‘digital divide’ refers to ‘the gap between individuals, households, businesses and geographical areas at different socio-economic levels with regard to both to their opportunities to access information and communication technologies (ICT) and to their use of the internet for a wide variety of activities’. The most recent Europe’s Digital Progress Report (2016) found that coverage in rural areas is substantially lower for fixed technologies (91%) and especially for next generation access (NGA, 28% of rural homes).

EAFRD Support through Measure 7 on ‘Basic services and village renewal’

- 98.7% of ‘Focus Area 6C – Access and quality of ICT’ will be financed through Measure 7. The rest of the funding will come from Measure 16 on Cooperation (0.4%), Measure 1 on Knowledge transfer (0.7%) and Measure 2 on Advisory services (0.2%).
- Sub-Measure 7.3 is expected to support the creation of an open access broadband infrastructure in areas with no access to broadband, including technical equipment and the necessary civil work; future proof infrastructures delivering broadband services; passive broadband infrastructure, upgrade of existing broadband infrastructure in areas with telecom infrastructures that are inadequate or insufficient; creation of e-governance solutions and IT applications.
- All types of beneficiaries: local authorities and administrations, public bodies, public-private partnerships, NGOs, individuals setting enterprises, private companies, organisations in charge of tourist and recreational development, etc.

How the TG can add value?

Questions and issues for discussion

✓ Improving external and/or internal environment: the access to fast broadband and/or upgrading of digital and innovative skills of businesses
✓ Better understanding on how businesses can efficiently use broadband and ICT as tools for development, including possible new linkages (e.g. urban-rural)
✓ How businesses can be supported in this process? What can RDPs do?
✓ Better understanding on the socio-economic impact of broadband and ICT in rural areas

Members said it...

- The possibilities of digitalisation in rural businesses
- Connection to the world of information, e.g. broadband, but much more
- Lack of information about new underpinning clustering technologies and applications
- New business models with new sector and new tools (including digitalisation)
- Developing appropriate digital knowledge and skills
- Communication, digital and economic skills and competences

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It is estimated that 10% increase in broadband penetration may raise gross domestic product (GDP) by 1 – 1.5%, and 90% of jobs will require some digital skills by 2020.

(Bridging the Digital Divide in the EU, 2015)