

Neelie Kroes

European Commissioner for Digital agenda

Why Europe needs the Digital Agenda

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

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Ladies and gentlemen,

I am here today representing Europe – but let me also say that I am proud to be here as a Dutchwoman opening this global conference. In many ways the Dutch have been at the forefront of embracing ICT. They have also led the way in removing borders in Europe by setting the example with Belgium and Luxembourg to establish the Benelux. I am excited that I can address this audience today about the many opportunities we have to break down more old borders and boundaries and some new ones – in the area of ICT deployment – that will allow us to fully embrace a single Digital Europe.

If IT was the thing of the eighties and nineties, it is now about **ICT** and how it changes daily life. This is also the basic idea behind this conference: ICT in action;. That is a mirror to my vision of Every European Digital.

I will not trouble you with a long or fancy speech today on the details of the full Digital Agenda for Europe. Rather than read out to you the many objectives, actions, and targets of our policy document – you can do that for yourself – I want to explain:

Why we need a movement working towards this agenda,

Why we need it **now**,

And why I am enthusiastic about this transformation to Every European Digital.

At my age there is no point in holding back; and most importantly the 'Ageing lady' Europe can't afford to hold back on any of these issues either.

Why did I choose this portfolio? What is different this time?

I am asked nearly every day - why did you choose this Commission portfolio? I chose it because ICT is now a policy issue for everyone.

Let me ask you these questions:

- How will government and companies be able to meet their massive pension liabilities?
- What could address the shortfall of 20 million carers Europe will experience by 2025?
- What changes could quickly reduce our carbon footprint without also harming our economy?
- How will we continue to retain and strengthen European competitiveness?

I think you may already know the answer. The answer is digital. None of the pressing challenges of our time will be solved without a strong ICT component.

I do not know any other investment option that can give a comparative advantage to all sectors. And there is no other investment that can match the 50% share of productivity growth that ICTs generate in Europe.

In many ways that makes me the Commissioner for Growth. And in a crisis, a Commissioner responsible for growth has to be ambitious. We cannot sit by and accept that 30% of the European population are still 'digital virgins'.

And yet this is not just an economic policy portfolio. ICTs enable so much more than monetary wealth. ICTs have transformed and will continue to transform how we relate to others. For the first time young people are the experts in something truly important; they teach now as well as learn. The world's biggest companies can emerge in the space of one government spending round. Our ability to apply this technology to issues like climate change will help determine how we will survive and live peacefully on this planet.

As you can see this isn't like any other public policy. It can't be achieved using old methods. It can't be separated from other policy areas either. This peaceful and sudden revolution is a part of every policy area. Don't get me wrong; I do not proclaim the view that technology will solve all. It is also not an end in itself - and it comes with its own challenges like privacy, security, lacking interoperability, complexity - but it has increasingly become an essential component of our lives and the economy.

Knowing this, Europe would be foolish to ignore its need for deep capabilities in digital technology. These deep capabilities cannot be produced overnight, and will be meaningless if they are produced in only one or two member states. What we need is a broad-based **Movement for Digital Action**. We need these capabilities in schools and universities, in our local and national institutions, in our global supply chains. Without proper co-ordination and leadership from the EU, this cannot happen. Only the EU and its global partners can be effective in creating the conditions for this transformation.

So the Digital Agenda for Europe is a comprehensive action plan; it is cutting the keys to Europe's future success, by increasing competitiveness and empowering its people. That is what gets me up each morning.

The challenges

Let me outline the scale of the challenges Europe is confronting. The crisis has wiped out years of economic and social progress. It has exposed the structural weaknesses in Europe's economy. Without proper use of ICTs over the next decade Europe will become a broken economy; it could unravel into a series of broken societies.

Though we are the world's biggest market - including the world's biggest broadband market - Europe is already behind major economies like the US on ICTs.

This will not change so long as our broadband is 100 times slower than in some Asian countries. It will not change so long as the only true digital single market is illegal.

But that is only the start.

The bills in our inbox and the bills on the way are too big to pay. Pensions. Budget deficits. Climate change. Health-care. These bills are not coffee-money; we will not find this money growing on trees. With the current economic shrink and demographic challenge we'll need to serious increases in productivity and resource efficiency.

Let us look at the issue that can strike the most fear into our hearts: our own old age. With life expectancy rising and the cost of new advanced treatments rising, who will pay for it? Today there are four people working for each one retired. In 2050 only two will work for every one retired. Even if we found the money who would do the work? There will not be enough carers to look after you every time you need it.

More costs alongside high debts - with less people to do the work and pay the bills. That does not add up. How else will we help each other if we do not find digital solutions?

Telemedicine, electronic patient records, ambient assisted living; interoperable devices ... the answers are in front of us. They are there for us if we dare to leave our comfort zones and make the investment.

Turning to energy: at the moment our energy systems are dumb. The people who run them may be smart, but the grid itself is dumb and inefficient. We waste energy, money and time for the most basic reasons. If we acted effectively, better use of real time information could reduce energy use in building by 20%. With buildings accounting for 40% of energy consumption in Europe, this would mean a reduction in total emissions of about 8%. Wide use of smart grids would also diversify the electricity network increasing its sustainability, security and reliability.

There are no real alternatives

The sort of money and changes we need can only come as a result of hard and smart work: productivity gains. We will have to earn every future success. Cheap credit and more debt for future generation are not the answers to our problems. No - the better answer is to harness the transformative potential of ICTs.

It is true that we have some alternatives - but let me remind you of them. The alternatives include risking climate chaos or muddling along so that our living standards plateau. And when they plateau it will feel like we are falling far behind because others will continue to race ahead.

But whatever the alternative it comes with a great moral or a political obstacle, sometimes both. These alternatives are not real alternatives because they offer no foundation for consensus. Instead we can build a consensus around the need to go digital.

Why could we build a consensus around this Digital Agenda? Because it is simple common sense and actors at every level can play a real role in these changes. It is essential to involve actors making changes in their city and town administrations, on our campuses, in our hospitals and at summits with national leaders. I and my senior officials will be making this case across Europe in the coming months.

Tackling these issues at the very core of our individual and collective future is **why** I am excited about this portfolio.

Doing it for the kids

I met with a talented group of entrepreneurs in Madrid last month – at an event called Campus Party. I wondered which ones would be the next Google. It reminded me that we need to bend over backwards to include these people in our policy tent. If we don't figure out how to include them, then we are the problem, not them.

They shouldn't have to do it on their own - and we can't afford to do it without them.

We have the industries. We have the brains. We have the markets. We still have good banks, and we have thousands of people ready to build these better futures for us all. In fact I was visiting a lab of a multinational ICT firm last week and asked why they were still doing research in the EU, or more specifically: the Benelux. They answered; because of the creativity, critical inquisitive minds and the density of available talent.

What we are missing is the common platforms and the high-speed networks that their success could be built upon. We are missing the pre-competitive solutions that come with an effective culture of co-operation. We miss the investments in RTD and the bridges that can transform RTD into commercial services and products.

That is what the Commission is for - joining these dots, removing these obstacles, convening the stakeholders around common platforms and solutions; levelling the playing field and creating the stability for long term investments: being an enabler just as ICT is an enabler.

Conclusions

I said I would tell you why I was passionate about this set of challenges; I said I would explain why we need a movement now in support of a common Digital Agenda. I hope I have made these points clear. Let me leave you with a final thought.

Some people compare the roll-out of the internet to the way railway and electricity networks have transformed our lives over the last 150 years. They don't mention that we need to achieve in 10 years with the internet what we have spent 150 years achieving with the other networks. Many European countries still lack High Speed Trains: we are promising high-speed internet by 2020 at the latest. Most people still use incandescent light-bulbs: the equivalent of dial-up internet.

This is one hell of a task. But it is not unrealistic because we each have so much at stake if we get it wrong. Your jobs, your health, your standards of living and your ability to leave the world a better place than when you arrived – this all pivots around maximising the potential of ICT.

I call on all of you – you who have such a direct stake in this digital future – to join me and the European Union in moving forward this Digital Agenda.