

BRUSSELS, 27 September 2017

H.E. Mr. Lars Danielsson
Permanent Representative – Permanent Representation of Sweden to the European Union
Square de Meeûs 30
1000 Bruxelles

Your Excellency,

Europe has come to a special moment of history. The digital transformation is the industrial revolution of the 21st Century. It deeply affects the way Europeans live and how businesses operate in Europe. Digital transformation is both disruptive and pervasive.

This letter calls for leadership collaboration amongst the EU Member States and for a clear vision to maximise the benefits of the digital revolution in Europe. It also calls for the Digital Single Market to be implemented in a uniform manner across national borders.

In the run-up of the Digital Summit in Tallinn, DIGITALEUROPE wishes to flag clear recommendations to support Europe's national leaders in building a competitive and future-proof digital Europe.

We wish to highlight **three political objectives and three core enablers**, and we hope that our input can support the discussions in Tallinn on the 29th of September.

Three political objectives which must be fostered by country leaders:

- **Put in place a digital skills plan for the entire population.** In 2016, only 56% Europeans had adequate digital skills. It is urgent to skill up the workforce and to include digital skills in education curricula. DIGITALEUROPE recommends further alignment of the fragmented initiatives of digital skills in the EU. Without the right framework for skills, Europe would miss the opportunity to transform traditional industries with value-added digital jobs. It is estimated that 75% of value-added job creation in industries comes from digitalisation.
- **Facilitate and trigger the deployment of e-Services and leading by example with state-of-the-art public administrations.** This is directly relevant to all Government services, their performance and their efficiency. The public sector constitutes between 20% and 30% of European GDP, and only 33% of the EU population are benefiting from advanced e-services today. DIGITALEUROPE urges country leaders to start a fast-track journey to foster a EU in which electronic identity (e-ID) and e-Services can be interoperable and used across all countries for the benefit of EU citizens.
- **Maximise the potential of a data-driven economy**, which will generate more growth based on innovation, customised services and new business models. This will directly impact corporate actors of all sizes - multinationals and SMEs. Data needs to flow freely. Cross-border data flows amounts 13-16% in Europe, as a percentage of all data traffic. Keeping data imprisoned within national boundaries will hurt the growth and innovation potential of Europe. There should be no restricted movement of data across borders. Freeing up public data will also lead to the creation of new companies and services.

To achieve these political objectives, three key enablers must be put in place and act as a foundation. These foundations need to be leveraged through massive investments and enhanced cross-border coordination:

- **Upgrade the infrastructure and boost connectivity** through spectrum, 5G, broadband, high performance computing and cloud computing. Ambitious rule-making and intense investment on spectrum and on connectivity is necessary. An advanced European digital Infrastructure is a prerequisite for growth and for all other digital developments to happen – such as the Internet of things and the data-driven economy. A European Commission study estimates that 5G will reap an annual 113 billion euros in economic benefits while accounting for 2 million jobs by 2025.
- **Reinforce the cybersecurity capacity by further combining and coordinating efforts across Europe.** It is estimated that an average of €265 billion is lost in Europe due to cybercrime. DIGITALEUROPE urges national leaders to collaborate amongst them and to work closely with the private sector to define a secure cyber framework. We recommend an in-depth and broad update of the digital cyber skills of European companies, citizens and public sectors as well as assistance to upgrade Europe's Cyber hygiene throughout all sectors.
- **Urgently exploit the potential of Artificial Intelligence (AI).** DIGITALEUROPE recommends the adoption of an EU-wide strategic plan focusing on AI. While AI is becoming a main driver of future growth and job creation, 83% of external investment in AI is absorbed outside the EU. In 2030, AI's contribution to the global economy will reach €13 trillion. If the EU does not prepare and adapt now, this will lead to a major set-back for innovation and job creation in Europe.

We sincerely hope that our recommendations can trigger the collective decision to better equip Europe's economy and society for the Digital transformation, and can lead to the creation of a functional and unfragmented Digital Single Market

We express our full support for the first Digital Summit, and we look forward to future discussions on digital transformation at the highest political level. We welcome the collaborative approach taken by National Governments and we call for sustained and direct collaboration with the private sector.

Yours Sincerely,



Cecilia Bonefeld-Dahl – Director General

Co-signatories – National Digital trade Associations:

Belgium: AGORIA
Bulgaria: BAIT
Cyprus: CITEA
Denmark: DI Digital
Estonia: ITL
Finland: TIF
France: Syntec Numérique, Tech in France
Germany: BITKOM
Hungary: IVSZ

Lithuania: INFOBALT
Netherlands: Nederland ICT
Poland: KIGEIT, PIIT, ZIPSEE
Portugal: AGEFE
Spain: AMETIC
Sweden: Foreningen Teknikföretagen i Sverige, IT&Telekomföretagen
Turkey: Digital Turkey Platform,
United Kingdom: techUK

