

# WORKSHOP: “PREPARING THE STATE OF THE DIGITAL DECADE REPORT 2023”

## Summary

### DISCLAIMER:

*Please note that this report does not reflect the Commission’s position. It aims at providing an overview of the workshop of the 20th of April. If you are interested in this topic and would like to access the full content, we invite you to watch the recording here:*

[https://www.youtube.com/watch?v=SVXyabTU\\_wQ](https://www.youtube.com/watch?v=SVXyabTU_wQ)

## 1. Introduction

On 20 April 2023, the European Commission invited 15 digital transformation experts to an open workshop to gather views and opinions and feed into the first annual report on the State of the Digital Decade.

The aim was to bring a fresh input, complementary to the work done with Member States (DESI, questionnaires) and to further stimulate the collection of feedbacks, insights, facts, figures and references on *the major developments in the digital sphere, key opportunities and challenges that the EU is facing, lessons learned from success stories and suggestions for EU policy actions and priorities for the future.*

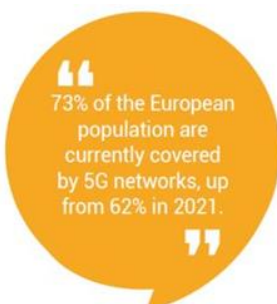
The workshop was divided into **three sessions** and addressed respectively:

1. *Key trends in digital transformation by 2030;*
2. *Europe’s challenges for digital transformation; and*
3. *Sustainable digitalisation and notably how to ensure a twinning of the green and digital transition.*

**Kamila KLOC** launched the discussions by stating that “*they must be the start of a very strict coordination process. 2030 is around the corner and there is no time to lose*”.

## 2. Session I - Key trends in digital transformation by 2030

The workshop kick-started with presentations by **Alessandro GROPELLI** from ETNO and **Florence VERZELEN** from Dassault Systèmes.



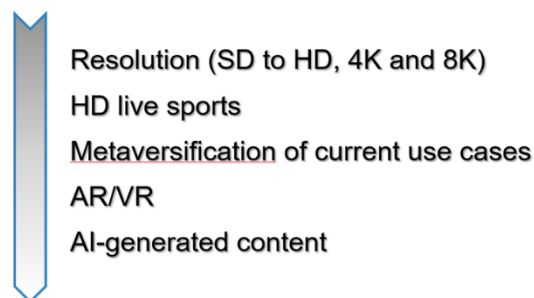
**Mr. Gropelli** explained that we are making good progress in terms of Very-High-Capacity Networks (VHCN), 5G and 5G standalone (SA). However, “*Europe is still lagging behind*”, he said. What helps is that “*the European Commission is setting targets and when you have targets you absolutely want to reach them. Today, the European telecom sector is hampered by comparatively low levels of revenues*”.

*and lack of European scale, which is in turn lowering its investment and innovation capacity.”*

He then highlighted future trends:



As well as trends that ETNO expects for network usage:



On her side, **Ms. Verzelen** explained that we are at a tipping point when it comes to digital transformation, an opinion shared by most, if not all, of the experts of the workshop. She identified key priorities, among which virtual twins, data origin, next generation computers, AI and the future of programming. *“It was proven that 80% of solutions are achievable if we develop the technology that goes with it”*, she said. To help Europe progress, she suggested investing in education and in our ability to push for this technology to boost European projects.

Both presentations fostered discussions.

For instance, **Laith ALTIMIME** brought up the importance of the COVID-19 crisis in the development of digital. He explained how it allowed for the industry to move forward. About digital progress, he highlighted the headwinds on the Path to \$1 Trillion by 2030: geopolitics, sustainability, talent and the supply chain which are the core focus of SEMI. Nonetheless, he explained that according to him *“Europe has an ecosystem that can support the accelerated digital transformation.”*

**Leo BAUMANN** reacted to this statement by saying that indeed, Europe has strengths, and that the continent’s industrial base is one of them. To the list of future trends mentioned earlier, he added 6G, aggregated clouds and the metaverse. On this last element, **Molly LESHER** stated that immersive technologies are a key upcoming trend, and that cutting through the hype and deepening an understanding of the implications of such technologies is important.

But the digital decade cannot only focus on digital progress, it also needs to make sure it works for people. This is exactly what **Maryant FERNÁNDEZ PÉREZ** and **Claire FERNANDEZ** insisted on.

For **Ms. Fernández Pérez**, the current situation is not up to the standards that people expect. The current dominant business models, built on data exploitation and commercial surveillance, do not deliver for people. *“We need to make sure that we deliver on the promises and focus on what kind of innovation would make Europe a better continent, a better place to live in. Innovation does not always mean progress”*, she said.

**Ms. Fernandez** brought the topic further by saying that we need to learn lessons from the first digital revolution, where we were too late to deal with its impact. *“We need to focus on people from the start. Centring people should be reflected in the European Commission’s process”*, she added.

### 3. Session II - Europe’s challenges for digital transformation

The second session opened with the presentations of **Axel DOMEYER** from McKinsey and **Paul HOFHEINZ**, from the Lisbon Council organisation.

**Mr. Domeyer** started by listing some of Europe’s digital transformation challenges, one of which being where the EU stands in comparison to others. In fact, Europe is not the leader in terms of key digital technologies that will shape for economic growth – considering metrics of innovation (e.g., patents), funding and user adoption. However, *“the compass is a good framework to address such challenges”*, he said.

To achieve the established targets, 3 areas of importance were listed:

- Play at Europe’s full scale (with the help of a pan-European corporate rule book for high-growth)
- Increase speed
- Level the playing field (e.g., by delaying the exposure of start-ups to global competition)

On his side, **Mr. Hofheinz** structured his intervention around 4 crucial points:

- Digital sovereignty (*“Europe will not have true digital sovereignty until we have European companies offering better products and services at better prices in global markets than anyone else.”*)
- Tools (*“We need to use the most powerful instrument we have to deliver that: our internal market.”*)
- Cybersecurity (*“We need to federalise cybersecurity.”*)
- Skills (*“We never do enough about skills. Let’s declare this a crisis and do more at EU level.”*)

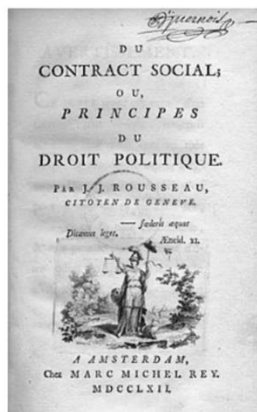
He concluded by repeating that policies need to be well designed to give us the results we need. *“It’s not enough to declare ‘digital sovereignty’. You have to earn it; you need policies that deliver it. And policies that block domestic companies from strong competition will only ever leave us with weaker companies here in Europe”*, he added.

Once again, both presentations fostered rounds of discussions.

They started with **Leo BAUMANN**, who bounced back on the concepts of digital sovereignty and skills, identifying them as the most pressing points.

**Federico MENNA** also recognised their importance but added one more priority to the list: digital social contracts. According to him, such contracts are “*the basis of all models of democracy.*”

## Citizens' Digital Social Contract



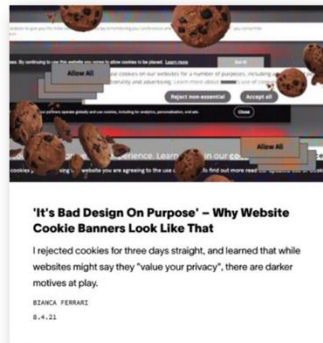
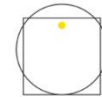
*The Social Contract* constitutes one of the main foundations of liberal democracies, of defining the relation between governments and their citizens in modern western societies.

In turn, **Damir PRUSAC** talked about innovation, stating that there is no excuse to stop working towards it. For the future, he however identified the following linked challenges:

- Access to experts
- Speed of innovation

On the rights and principles side, **Jutta J. MEIER** talked about data protection. In her opinion, we should be proud of it, but we should also make privacy, cybersecurity and data governance less difficult to use and understand. “*If presented with a clear and easy choice,*” she explained while using a real example, “*more than 50% of people opt out of being tracked. In any case, what is tracked should be stated clearly and understandably, we need to reduce complexity*”, which could be achieved with holistic frameworks like the Digital Responsibility Goals (DGRs).

## Trust paradox – complexity is a problem



*"Thirteen websites had a consent banner but gave me no option to opt out, or it was so complicated and time-consuming I simply had to give up."*

Source: <https://www.vice.com/en/article/m/eda/its-bad-design-on-purpose-why-website-cookie-banners-look-like-this> (Experiment with cookie banners of 16 websites)

**!** In 2023, even the most basic privacy settings are hard to navigate...

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**Claire FERNANDEZ** also reacted on societal challenges, stating that we cannot rely on the technology industry to be the bearer of values, we need legislation. She zoomed in on two more challenges that were not yet listed:

- Digital inclusion (*"The digitalisation of public services could lead to public exclusion."*)
- AI's potential harms (*"We need to make sure that the institutions using AI systems are made accountable."*)

### 4. Session III - Sustainable development and notably how to ensure a twinning of the green and digital transition

For the third and final session, **Luis NEVES** proposed to reflect on what has evolved in terms of digital in the past years. As a matter of fact, he believes that we should detach from old realities. Today, technology is no longer used to connect and communicate, at least not solely. It is also used to monitor and track, analyse vast swathes of information, augment our human abilities and automate systems to carry out activities on our behalf by creating an 'active bridge' between the physical and digital worlds. A successful sustainable digital transformation requires digital to be a purpose-driven industry. This can be achieved in two ways: taking responsibility for its own impacts and invest, innovate and deploy responsibly new technologies.

In his opinion, digital technologies require more capacity and investment, especially considering how they can benefit our planet. For instance, he explained that they could reduce 20% of our global emissions, which means that *"the more we deploy digitally, the better for the environment."* He also added that *"Digital innovation is taking our society to a future of unlimited potential"*.

**Maryant F. PÉREZ** reacted to Mr. Neves' intervention by stating that we should see the green transition as a goal, and digitalisation as a means to achieve it. For her, it is not good to link both transitions, nor is it to make generalisations. *"What we need to focus on is proper regulations"*, she added.

**Leo BAUMANN** agreed to this statement and said that *“it is only good to link the green transition with digitalisation if ICT provides solutions for the green society and economy”*.

About environment, **Sebastien BUCKUP** supported the idea that technology can help. With predictive algorithms for example, we can adapt to climate or predict natural disasters (like wildfires). When technology helps to save lives, *“it is way less controversial”*, he added. But *“where there is light, there is also shadow”*, and in this sense he agreed with what was stated earlier: we need to look into the risks.

To summarise the session, **Ilias IAKOVIDIS** stated that *“Digital technology is a good tool IF governed properly”*. He added that there is a need for clear governance rules, and this is exactly what the European Commission wishes to do: build a framework that strengthens and boosts innovation.

**Mr. Iakovidis** also discussed the problem of waste with some of the experts in the room. Unfortunately, there is no solution for waste yet, said **Laith ALTIMIME**. This statement was confirmed by **Luis NEVES**, who however proposed to start by looking at the industries and verify if they include sustainability in their operations.

## 5. Concluding remarks

As highlighted by **Eric PETERS**, the workshop revealed a huge appetite to work together. It was the occasion to act differently and involve all the parties.

**Katarzyna SZCZUKA** reminded the audience that **we are at a tipping point** and that acting and investing now is crucial to build a European alternative way.

The contributions were enlightening, they revealed opportunities and brought perspective. There were dissonances but mostly synergies and it is precisely this conjunction of ideas that will help create the adequate framework to move towards a success digital transformation.

## Contribute: Feed into the State of the Digital Decade Report



To feed into the first annual report, join our **Futurium platform** by using this QR code or consulting the following link:

<https://futurium.ec.europa.eu/en>

Once you become a member, click on the tab **“Digital Decade Report”** and start posting (**“Add Post”**).