Value creation & the digital transformation of the economy

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Key Issues of a digital innovation policy

- Strong competition of world regions and systems
  - Technology dependence which increasingly influence economic, societal and political outcomes
  - European co-operation more important than ever before
  - Exploit economy of scale and large home market

- Significant digital contribution to global value added and productivity growth
  - Major role of digital innovations for the EU economy
  - Declining productivity growth: the beginning of a secular stagnation or the failure to capture properly the digital contribution?
  - Evidence-based policy making in digital
Creating Value through Digital Transformation

Digitising European Industry Strategy (launched 2016)

- An EU approach for broad Value Creation
- €50 bn public/private investments
- SMEs are at the core
- Digital Single Market is a pre-condition
- New programming cycle: Digital Europe (new), InvestEU, Horizon Europe, ERDF
An innovation infrastructure with complementary expertise and a not-for-profit objective, to support the digital transformation of businesses – especially SMEs – and public sector.

- Lower barriers to digital transformation by bridging the knowledge gap, facilitating experimentation before investments
- Digital Europe Programme to reinforce building capacity of Digital Innovation Hubs
- Regional dimension
Innovation Policy: leadership in digital innovations

- **The what?**
  - Prioritise key digital technologies (AI, blockchain, HPC, …)
  - Intervene at the right technology maturity level: research-innovation continuum

- **The how?**
  - Mission - focus on major challenges (e.g. SDG)
  - Partnerships – focus on digital enablers or specific sectors
  - Integration of key digital technologies in pilots, (industrial) platforms & ecosystems – scale up and uptake

- **Investments to reach a critical mass?**
  - Alignment of efforts with industry and Member States
  - Specific intervention to de-risk investments in intangibles
In the Digital age, platforms (also called *industry agreements*) are needed to access ecosystems.

Collaboration is the new competitive advantage (faster uptake for key individual technologies, standard setting approach).

In Europe’s key industrial sectors, European actors are strong in b2b.

AI & Data is the fuel of the next generation of digital advances.
Digital in the next MFF: overview

Digital Europe: Capacities & roll out
1. High Performance Computing
2. Artificial Intelligence (AI)
3. Cybersecurity
4. Advanced digital skills
5. Digital transformation and interoperability

Digital in Horizon Europe R&D&I
1. Digital under "global challenges"
   • Digital and industry cluster
   • Digital in other clusters - health, mobility, energy, environment,..
2. FET Open under EIC
3. Research Infra in Open Science

Connecting Europe Facility - Digital Connectivity
• 5G roll out
• BB 4EU, Connecting communities
• Synergies with Transport /Energy

Creative Europe MEDIA
• Distribution of works
• Creation

- Current budget (~14 B€)
- €9.2 billion
- €3 billion
- €1.1 billion
Thank You!
• **Digitising European Industry**

• **Artificial Intelligence**

• **Strategic Value Chains**