**Follow up to the European Parliament non-legislative resolution on the role of cohesion policy in promoting innovative and smart transformation and regional ICT connectivity**

**1. Rapporteur:** Cristina MAESTRE MARTÍN DE ALMAGRO (S&D / ES)

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**3. Date of adoption of the resolution:** 8 March 2022

**4. Competent Parliamentary Committee:** Committee on Regional Development (REGI)

**5. Brief analysis/assessment of the resolution and requests made in it:**

The European Parliament adopted by 644 votes to 9, with 43 abstentions, the resolution on the role of cohesion policy in promoting innovative and smart transformation and regional Information and Communication Technologies (ICT) connectivity.The EU's ambition is to deliver digital policies that empower citizens and businesses to achieve a sustainable and prosperous digital future in all regions. The digital transformation must be equitable and inclusive. It must go hand in hand with the ongoing green transition. On cohesion policy for the period 2021-2027 and the challenges of the twin transition, the resolution highlighted the role that the new cohesion policy can play in advancing the twin digital and green transition. The European Parliament called on the Commission to set more ambitious targets for the digital development of all EU regions. The resolution also called for a European Digital Action Plan for all regions with mid-term targets, measures for 2025 and specific recommendations for the Union and Member States to achieve concrete results by 2030. On bridging the digital divide, Members recalled that future investments under the European Regional Development Fund (ERDF) should support the development of high-speed digital infrastructure networks, with priority given to rural areas. The resolution stressed also the need for a sustainable and inclusive digitisation process and recalled that the success of the digital transition relies on the principle of a stable and affordable high-capacity internet connection, highlighting the digital connectivity challenges faced by Europe's peripheral regions, including its islands. The increased use of digital solutions as a result of the COVID-19 pandemic has exacerbated existing inequalities caused by digital divides between population groups. In this context, the European Parliament called on the Commission to propose a directive on minimum standards and conditions for fair telework. On digitisation of small and medium-sized enterprises (SMEs) and public services, the European Parliament called for effective digital transformation and cutting red tape, with measures to improve access and public services in all Member States, and for measures to increase the digital skills of public sector workers. The resolution called on the Commission to ensure that Member States use their operational programmes to target SMEs in areas with lower digital development. On promoting skills for the digital age, Members called for the progressive implementation of the Commission's Digital Education Action Plan for the period 2021-2027 to promote better digital skills.

The Member States and the Commission are invited to use the European Social Fund Plus (ESF+) and ERDF to adopt measures to address the digital skills gap between rural and urban dwellers, as well as between generations, and to provide employment opportunities in regions threatened by depopulation. The resolution also stressed the need to invest in digital infrastructure using also the InvestEU programme, which builds on initiatives to promote digital skills, such as the Digital Education Action Plan 2021-2027.

**6. Response to requests and overview of action taken, or intended to be taken, by the Commission:**

***On Cohesion policy for 2021 to 2027 and the challenges of the twin transitions* (paragraph 7)** The Commission’s strategies on Shaping Europe’s digital future[[1]](#footnote-1) and on the Digital Decade[[2]](#footnote-2)*,* along with the related legislative proposal for a Digital Decade Policy Programme, set ambitious goals for Europe’s digital transformation by 2030, including ambitious gigabit objectives for fixed and mobile connectivity and other digital infrastructures, as well as targets for digital skills, the digital transformation of business and the digital public services. The Commission recognises the concerns about the growing economic, social and territorial inequalities within and between EU Member States. The growing digital divide between Member States and regions is a cause for concern from an economic cohesion perspective, given the increasing importance of digital technologies for enterprises to remain competitive and the fact that technology take-up is an important driver of economic convergence. Synergies between cohesion policy and the digital strategies exist, as the ERDF and the ESF+, along with the Digital Europe, the Connecting Europe Facility and the Horizon Europe programmes provide funding to achieve the EU’s digital policy goals. Cohesion policy funding also helps fill investment gaps in areas not served by fast connectivity. These are usually most acute in the remote and rural areas. In addition to the ongoing programming exercise of the 2021-2027 cohesion policy funds, the Recovery and Resilience Facility is the key recovery instrument at the heart of NextGenerationEU meant to assist the EU in its recovery from the current crisis. The Facility provides both loans and grants by frontloading financial support for the crucial first years of the recovery. With more than half of the allocation going to digital and environmental investments and reforms, the Recovery and Resilience Facility will provide ample support for Member States to attain twin transition objectives.

**(Paragraph 11)** The Commission has developed several tools to support Member States in their efforts to enhance their administrative capacity. Even if the tools are available to all Member States, most of them have been designed taking into account the needs of Member States and regions having less positive track record with regard to implementation and overall performance. Less developed regions are among the most frequent users of many of such tools, for example of peer exchange instruments and the training sessions. Implemented pilot actions have predominantly involved less developed regions/ Member States (e.g. the pilots on Integrity pacts and Roadmaps for administrative capacity building). As part of their Recovery and Resilience Plans, Member States significantly invest in the modernization and digitalization of national administrations and have proposed reforms that will improve their business environment and will remove long-standing administrative obstacles and reorient national administrations towards the 21st century. Public sector reform frequently features in country-specific recommendations (CSR’s) for 2019 and 2020 and Member States have used the Facility as an opportunity to address them.

***On overcoming digital gaps* (paragraph 14)** The rural observatory will pool existing data into an interactive rural data platform accessible on-line that will enable the Member States to access the relevant indicators to measure achievement of digital targets in rural areas. A rural dedicated component will also be developed under the Digital Economy and Society Index (DESI), as part of the flagship “rural digital futures” embedded in the Rural action plan launched in the context of the long-term vision for EU’s rural areas. More generally,the data underlying the DESI index are only available at national level and it is therefore currently not possible to develop DESI at regional level. Due to methodological difficulties, the Commission services expect that the majority of data will remain restricted to the national level. However, most of the indicators include a rural-urban breakdown. In the future, the Commission services may be able to report on a selection of indicators, such as those related to broadband and skills, at NUTS 2 level, subject to a favourable decision by the national statistical institutes in the Eurostat working group.

**(Paragraph 19)** In the legislative proposal for the Digital Decade Policy Programme, the Commission has proposed to report annually on the progress of the Digital Decade (Digital Compass) policy to the European Parliament and the Council via the “Report of the state of the Digital Decade”. That report is meant to trigger a monitoring and cooperation mechanism between the Commission and the Member States. It should, *inter alia,* cover all the targets set out along the four “cardinal points” of the Digital Decade policy, i.e. a digitally skilled population and highly skilled digital professionals; secure and performant sustainable digital infrastructures; digital transformation of businesses; digitalisation of public services.

**(Paragraph 21)** The Commission is developing several initiatives to support Member States in deploying very high capacity networks (VHCN), including 5G networks in rural areas. In that regard, the Commission’s Connectivity Recommendation of September 2020 responded rapidly to an emergency situation triggered by COVID-19 pandemic. Following the 2020 Recommendation, a Connectivity Toolbox was developed and agreed by the Member States, in close cooperation with the Commission, in March 2021. It contains 39 best practices on (i) reducing the cost and increasing the speed of deploying VHCN and (ii) ensuring a timely and investment-friendly access to 5G radio spectrum, which is also relevant for rural areas. The Commission is currently reviewing the Broadband Cost Reduction Directive. By focusing on the reduction of administrative burden (including by promoting the ‘digital by default’ principle and streamlining procedures for granting permits needed to deploy VHCN) and costs in network deployment, the review will tackle the major cost component of network deployment in view to facilitating and accelerating the roll-out of advanced communications networks, notably fibre and 5G. The review of the Broadband Cost Reduction Directive aims to bring economic and societal benefits from advanced connectivity to rural areas, thus contributing to the Digital Decade connectivity targets. More broadly, the EU will continue to support the deployment of Gigabit and 5G networks through the new Connecting Europe Facility (CEF2) with a budget of EUR 2.1 billion. It will also support pan-European infrastructures such as 5G cross-border corridors and backbone networks, such as the High Performance Computing (HPC) connections, Cloud Federation, European Quantum Communication Infrastructure (EuroQCI) as well as submarine cables to underserved islands and investments in 5G, especially targeting local communities. In addition, the European Regional Development Fund will also offer targeted support to address the needs of the remote underserved regions, complementing other sources of national and EU funding. Finally, the Connecting Europe Broadband Fund (CEBF) has a volume of EUR 555 million and is investing in broadband projects with a focus on Greenfield fiber-to-the home (FTTH) projects, especially in remote underserved areas. The CEBF will unlock additional investments between EUR 1 billion and EUR 1.7 billion.Moreover, the platform “Investment in 5G Connectivity” provides stakeholders a community to exchange ideas and practices on 5G services and share content on 5G-operated applications. To address the economic concerns that some countries may have in rolling out 5G in rural areas, the European 5G Observatory enables the EU to assess the progress of the 5G Action Plan and take action to fully implement it. The Commission will also provide support through the network of (national and regional) Broadband Competence Offices (BCOs), as essential contact points to provide information, advice and technical support to all stakeholders to help resolve implementation problems and bottlenecks and to share experience in rolling out fast broadband infrastructure. Targeting specifically rural areas and ensuring effective co-ordination of public funding (national and EU) are embedded in national BCOs´ missions, mostly engaged with the planning and implementation of National Broadband Plans.

***On inclusive and fair digitalisation* (paragraph 29)** The Commission would like to refer to the letter of 25 March 2021 of Commission Vice-President for Interinstitutional Relations and Foresight, Maroš Šefčovic, to the President of the European Parliament, David Sassoli, in response to the European Parliament resolution of 21 January 2021 with recommendations to the Commission on the right to disconnect and telework[[3]](#footnote-3). That letter describes the actions that the European Commission is taking on telework and the right to disconnect in response to the resolution. Social partners and social dialogue have a key role to play in the definition, application and enforcement of the rules related to telework and the right to disconnect. The Commission will continue to support social partners in their endeavour of finding commonly agreed solutions to the challenges posed by the digitalization of the world of work, including telework and the right to disconnect.In parallel, the Commission continues to explore the context and potential evolution of telework and the right to disconnect, their respective challenges and opportunities, in the larger context of digitalisation and the future of work. To this end, in March 2022, the Commission launched a large-scale exploratory and fact-finding study as well as held a conference – co-hosted with the European Parliament, on 15 March with the participation of social partners, Member States, EU institutions and other relevant stakeholders.Furthermore, in January 2022, the Commission presented a Declaration on Digital Rights and Principles for the Digital Decade and proposed it to be signed together with the Parliament and the Council. The Declaration also refers to workers’ possibility to disconnect and benefit from safeguards for work-life balance in a digital environment.

**(Paragraph 30)** The Commission would like to acknowledge the importance of advancing the digitalisation of the European economy and of the world of work, while respecting working time arrangements, upholding sound working conditions, ensuring health and safety, and preserving the boundaries between professional and private life. The European Pillar of Social Rights and its Action Plan remain the key compass in ensuring that the digital transition is also a fair transition, which is a key pre-condition for its overall success.

***On digitalisation of small and medium-sized enterprises and public services* (paragraph 34)** Cohesion policy funds can support Member States in the process of digitalisation of educational infrastructure and strengthening the conditions and provision of digital education and training. In synergy with ESF+ investments in human capital, ERDF can support investments to improve equal access to digital education through, for example, improving access to internet, purchasing of digital equipment and e-learning applications and platforms, with a particular attention to marginalised students, including those living in segregated and remote areas. The Digital Decade Communication and the related proposal for a Digital Policy Programme, identify the digitalisation of public services as one of the four ‘cardinal points’ of the EU’s Digital Compass for 2030. They include the objective of having, by 2030, 100% online provision of key public services available for European citizens and businesses, 100% of European citizens with access to medical records (e-records), and 80 % of citizens using a digital identification solution. The proposal for a Declaration on Digital Rights and Principles includes the principle that everyone should have access to all key public services online across the Union and the commitment to promote and support efforts to equip all education and training institutions with digital connectivity, infrastructure and tools. Under the Recovery and Resilience Facility, Member States have planned EUR 43billion of investments in e-government and the further digitalisation of public services representing 37% of the total digital expenditure under their Recovery and Resilience Plans (figures based on the 22 plans approved by the Council until April 2022). Moreover, in order to accelerate progress on digital education and skills, in October 2021 the Commission launched the Structured Dialogue with Member States on digital education and skills. The aim of the dialogue is to increase the political visibility and commitments on digital education on skills, so Europe is able to deliver on its 2030 targets in this area. Finally, the Web Accessibility Directive calls for accessible public sector websites and mobile applications, allowing everyone, particularly persons with disabilities, to benefit from accessible digital public services, as well as essential online administrative functions of schools, kindergartens or nurseries. The European Accessibility Act, with practical effect in 2025, requires accessible digitalisation of certain products and services, including public transport.

**(Paragraph 36)** In December 2021, the Commission adopted a package on platform work. It contains a proposal for a directive on improving working conditions in platform work, draft guidelines on the application of EU competition law to collective agreements regarding the working conditions of solo self-employed person, and a Communication calling for new measures on national authorities, digital labour platforms and social partners. The proposed directive aims to improve the working conditions of all people working through platforms while supporting the conditions for sustainable growth of digital labour platforms. It strengthens the role of social dialogue in platform work. The new provisions on algorithmic management address its impact on working conditions and ensure an appropriate place for social dialogue in the use of such tools. As the use of algorithmic management tools is expanding, the Commission will continue examining this phenomenon and will keep an eye on the potential future need to regulate the use of algorithms in the wider world of work. Furthermore, the proposal for a Declaration on Digital Rights and Principles states that everyone has the right to fair, just, healthy and safe working conditions and appropriate protection in the digital environment as in the physical work place, regardless of their employment status, modality or duration.

**(Paragraph 38)** Thecohesion policy framework provides for opportunities and guides Member States in steering the support to the most needed areas, including support for the ICT uptake of SMEs in areas with lower digital development. This is in line with the Digital Decade that by 2030, three out of four companies use cloud computing services, big data and Artificial Intelligence (AI); more than 90% SMEs reach at least a basic level of digital intensity. The European Institute for Innovation and Technology (EIT) aims to overcome the fragmented European innovation landscape by bringing together leading organisations from business, education and research, the so-called ‘knowledge triangle’, to form dynamic cross border partnerships – EIT Knowledge and Innovation Communities (KICs). One such KIC is EIT Digital, a pan-European ecosystem which mobilises over 350 European corporations, SMEs, start-ups, universities and research institutes to support Europe’s innovation capacity, including by boosting Information and Communication Technology (ICT) as an innovation driver in all industry sectors, generating new innovation and business models, and supporting the emergence of strong SMEs that could capitalise on research results. Since its launch, EIT Digital supported more than 455 start-ups and scale-ups, created more than 265 new ventures, and launched more than 415 products and services commercially.

***On promotion of skills for the digital age* (paragraph 45)** Promoting flexible and equal opportunities for upgrading of skills and acquiring new and different skills by all, in particular digital skills and skills for key enabling technologies, is one of the key objectives of the ESF+, which provides many opportunities for the Member-States and regions to support the re- and upskilling of workers and non-employed people. The Commission intends to integrate media literacy in various programmes and initiatives, as highlighted in both the European Democracy Action Plan and in the Media and Audiovisual Action Plan. The revised Audiovisual Media Services Directive asks Member States to promote measures for the development of media literacy skills and requires video-sharing platforms to put in place effective media literacy measures and tools; platforms should also raise users' awareness of those measures and tools. Digital skills are also a key objective of the Digital Decade policy, which includes targets to increase the share of adults with basic digital skills to 80% by 2030 (as per the European Pillar of Social Rights) and the number of employed ICT specialists to 20 million by the same year, with convergence between women and men. The Digital Education Action Plan 2021-2027 sets out a series of actions to boost the basic and advanced digital skills development of citizens. Actions in this area focus on the need to develop digital competence and skills from an early age and continuously maintain and advance these in a lifelong learning perspective. In the next 12 months, the Commission will propose a Council Recommendation on improving the provision of digital skills and competences in education and training. It will support Member States in fostering innovative teaching and learning practices for the development of digital skills as well as the professional development of teachers’ digital competences. Specifically to support advanced digital skills, the Commission is scaling up the Digital Opportunity Traineeships. The scheme has already provided over 15.000 students and recent graduates with basic and advanced digital skills through cross-border traineeships. The scheme will continue to offer the opportunity to get hands-on working experience in companies dealing with digital technologies and to prepare trainees for the labour market in areas such as cybersecurity, big data, digital marketing and software development. This opportunity will now be open also to teachers and educators from secondary and higher education. Dedicated actions also promote inclusion and attract more women and girls in science, technology, engineering, and mathematics (STEM) studies and careers. For example, workshops and placements in digital skills will target 40.000 girls in the framework of the Action Plan. Finally, as part of the Action Plan, the Commission is developing guidelines for teachers and educators to promote digital literacy and tackle disinformation through education and training. In addition to the EIT’s commitment to implement the Girls Go Circular initiative within the Digital Education Action Plan, EIT Digital offers master, doctoral and professional level education on the latest digital technologies and on the business opportunities they enable. The EIT Digital Professional School in particular keeps European professionals at the forefront in today’s fast-paced digital technology by addressing the rising need for reskilling and upskilling. The KIC further invests in their Co-Location Centres, where students, researchers, engineers, business developers and entrepreneurs physically come together to co-create the digital future. As part of their Recovery and Resilience Plans, many Member States have put forward measures that will promote digital literacy and advance IT skills of various demographic groups; (i.e. targeted support of adult job-seekers in Luxembourg or providing training and IT equipment to senior citizens in Slovakia).

**(Paragraph 47)** Leaving no region and no person behind is an overarching political objective when supporting actions with cohesion policy funding. Around 90% of the jobs in Europe require some kind of digital competences[[4]](#footnote-4). This is likely to increase, as all jobs will require some level of digital skills. It is crucial to equip European workers with the right digital skills, ensuring they benefit from the positive elements of digitalisation. To this aim, the Commission, together with Member States, is working on reaching ambitious targets by 2030 as set in the Digital Decade[[5]](#footnote-5). Boosting competencies needed for the digital transformation of rural areas, including access to and being part of a high-performing digital education ecosystem is highlighted in the strategic objectives of the Digital Education Action Plan 2021-2027 that envisages promoting digital skills and entrepreneurship, so that everyone is able to benefit from the digital transition. Member States and regions have many possibilities to mobilise funding under cohesion policy to accompany the digital transition and to help reduce the gap between the skills needed in the labour market and those offered by the workforce.

**(Paragraph 48)** To ensure Europe is equipped to compete globally, at least 20 million ICT specialists employed by 2030 are needed in order to deploy and design new technologies.In addition, since over 90% of jobs now require some level of digital skills and emerging technologies, such as Artificial Intelligence (AI) and datafication call for new skills, a huge drive on digital upskilling at all levels is required, enabling Europeans to face the green and digital transitions. The Digital Skills and Jobs Coalitions at EU, national and regional level tackle the digital skills gap by bringing together Member States, companies and organisations, developing concrete measures to bring digital skills to all levels of society.

**(Paragraph 52)** While the Just Transition Fund (JTF) primary focus is on economic diversification and reskilling, the specific investments will depend on the actual territorial just transition plans, and may not include investments in digital skills everywhere. Regions that have the most negative socioeconomic impacts from the transition will benefit from the JTF. The JTF is the new cohesion policy instrument launched in the current programming period aimed at tackling current challenges.

**(Paragraph 55)** The Commission supports the efforts of the EU Member States to develop the key competences, described in the EU Framework on key competences. These are the competences needed by all citizens for personal fulfilment and development, employability, social inclusion and active citizenship. Digital skills are an essential part of the Framework. The European Education Area is a strong pillar for cooperation at EU level to contribute to a holistic approach to education and training in a lifelong learning perspective, from early childhood education and care to schools, universities and adult education.The Commission has also developed a more specific framework for the digital key competences, called DigComp. The updated version, DigComp 2.2, takes account of emerging technologies such as AI or the Internet of Things, used for instance in connected household appliances, or connected cars. The framework also considers increased remote working, which requires new and increased digital competences. A new focus of the framework is digital literacy, which requires solid digital skills to fact-check online content and its sources. In response to the COVID-19 restrictions, which affected negatively the most vulnerable in our society, the European Commission adopted the Council Recommendation on blended learning for high quality and inclusive primary and secondary education. The Commission has also supported actions for active and healthy ageing and the use of digital technologies for health promotion, prevention and care for more than a decade, including, inter alia, via the EU’s research and innovation programmes and via support for the European Innovation Partnership on Active and Healthy Ageing and for the Active Assisted Living Programme. The already mentioned proposal for a Declaration on Digital Rights and Principles includes a commitment to a digital transformation that leaves nobody behind, including elderly people.

1. <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:52020DC0067> [↑](#footnote-ref-1)
2. [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021DC0118%2801%29&qid=
 1648569945936](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021DC0118%2801%29&qid=1648569945936) [↑](#footnote-ref-2)
3. 2019/2181(INL) [↑](#footnote-ref-3)
4. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Shaping Europe's digital future COM/2020/67 final. [↑](#footnote-ref-4)
5. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2030 Digital Compass: the European way for the Digital Decade COM/2021/118 final*.* [↑](#footnote-ref-5)