Contribution of National Recovery & Resilience plans to the digital transformation pillar

State of play

17 May 2021
Where Member States stand on digital: DESI index

MS are at very different levels of digitisation and have different needs:

- **Top performers**, which are also world leaders
- **Member States in the middle**, with gaps in several areas
- **Laggards**, facing significant shortcomings in all dimensions

**About DESI:**
- DESI measures digital performance across 5 dimensions.
- It is a composite index which combines 37 indicators.
- It provides solid and comparable data (mainly based on Eurostat), recognised by MS and stakeholders.

Source: Digital Economy and Society Index 2020
CSRs and digital priorities

Mapping of 2019-2020 CSRs onto digital priority areas
# Synergies between RRF and digitally relevant funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
<td>Digital Europe</td>
<td>€ 7.6bn</td>
<td>EU wide deployment of digital capacities and advanced technologies</td>
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<td></td>
<td></td>
<td>Advanced digital skills</td>
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<tr>
<td>CEF Digital</td>
<td>€ 2bn</td>
<td>Digital connectivity infrastructure (very high capacity networks, 5G, etc.)</td>
</tr>
<tr>
<td>Horizon Europe</td>
<td>€ 95.5bn</td>
<td>Research and innovation, incl. in digital</td>
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<tr>
<td>ERDF &amp; ESF+</td>
<td>€ 324.5bn</td>
<td>Incl. Digital connectivity, Smart specialisation, Digital skills for all citizens</td>
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<tr>
<td>EADFR</td>
<td>€ 87.4bn</td>
<td>Incl. Making use of Big Data for CAP monitoring, Broadband rollout in rural areas</td>
</tr>
<tr>
<td>InvestEU</td>
<td>€26.2bn</td>
<td>Guarantees for commercial investments incl. for digital technologies and infrastructures</td>
</tr>
<tr>
<td>Creative Europe</td>
<td>€ 1.8bn</td>
<td>Support to media and audiovisual and to cultural and creative sectors</td>
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**AND**

**Recovery and Resilience Facility**  € 672 bn

Minimum 20% for digital investments
RRP – Broad provisional overview*

*NB: very provisional data subject to ongoing detailed checks
Digital target

• Each Recovery and Resilience Plan has to include at least 20% of the plan’s total allocation supporting digital objectives

• First indications show that Member States are meeting and sometimes largely exceeding this target

• Components dedicated to digital but also digital spending across RRP components
Digital tagging

• Seven digital policy dimensions (based on DESI), which are reflected in 44 intervention fields according to which digital measures should be tagged
  1. Connectivity
  2. Digital R&D
  3. Human capital
  4. Digital public services
  5. Digitalisation of businesses
  6. Digital capacities & deployment of advanced technologies
  7. Greening of the digital sector

• Member States should specify and justify whether and to what extent each measure contributes fully (100%), partly (40%) or has no impact (0%) on the climate and/or digital objectives
E-government, digital public services

- Digitalisation of the public administration and of administrative procedures, through a strong expansion of digital services in the areas of authentication, health and justice

- Governance process improvements by incorporating modern IT systems, increasing interoperability between systems and data, digitisation of archives, and use of technologies such as cloud computing and big data

- Improving the quality and accessibility of digital public services, supporting wider implementation of eID solutions to allow citizens to easily access various digital public services

- Creating digital services access points in remote areas
Human Capital

- Strengthening the digital skills of jobseekers through dedicated training courses, as part of a more general policy on digital inclusion aiming to counter the digital divide

- Introducing digital skills in school curricula, digitalisation of schools, including through dedicated plans for remote regions

- Implementation of Digital skills plans, including:
  - basic digital skills training for all citizens
  - the development of digital skills in the education system
  - advanced digital skills training throughout the working life, with a focus on for SMEs
  - adapting the existing vocational training offer to better integrate digital skills development

- Special attention to women and girls (targets for ICT and STEM studies)
Digitalisation of businesses

- **Support to SMEs** to develop digital skills, digital transformation of business processes, increase cyber resilience, and deployment of advanced digital services

- **Tax incentives** to foster investments in advanced digital capital goods, digital-related R&D

- Increasing **cybersecurity** capacities of SMEs, e.g. through skills development, awareness raising, cyber threat surveillance services
Connectivity

• Improving the connectivity of the national territory by continuing the deployment of very high speed fiber optic networks and 5G, including 5G corridors

• Investments in widespread availability of Gigabit-enabled access networks (very high capacity broadband networks)

• Reforms focused on removing existing barriers to the deployment of 5G networks to reduce the costs of deployment and improve access to 5G radio spectrum
Investment in advanced technologies

• Support the development and deployment of ultra-secure quantum communication infrastructure

• Promoting the development of the next generation of microprocessors through the IPCEI on Microelectronics

• Support competitive and fair access to the next generation cloud and Edge capacities through the IPCEI on Cloud Services and Infrastructures

• Deployment of smart technologies to manage water supply and energy networks
Cross-border/Multi-country projects

- **IPCEI Microelectronics** - endowing the EU with capabilities in electronics design and deployment of the next generation of low power trusted processors and other electronic components

- **IPCEI Cloud** - fostering the emergence of smart cloud and edge solutions that are highly innovative, fully interoperable, highly secure, energy efficient and fully compliant with data protection

- **5G corridors** – deployment of 5G corridors for advanced digital rail operations and connected and automated mobility

- **High-capacity submarine interconnectors**
Conclusion

- Robust contribution to the pillar of digital transformation
  - Significant share of expenditure exceeding in aggregate the 20% requirement
  - Strong focus on digitalisation of public services and human capital
  - Good coverage of related CSR
- Complementary to other EU funding sources and to national budgets
- Clear link with reforms
  - Facilitating investments
  - Improving business environment and access to public services