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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

European i2010 initiative on e-Inclusion

"To be part of the information society"

**Executive summary of the
IMPACT ASSESSMENT**

**[COM(2007) 694 final
SEC(2007) 1469]**

Introduction

This Impact Assessment (henceforth IA) is in support to the proposal for a Communication on the European i2010 initiative on e-Inclusion: "To be part of the information society" (henceforth simply the Communication). It comes at the end of a long policy development and consultation process involving stakeholders, and Member States representatives, and results of studies on the status of e-Inclusion and related policies.

It supports a set of policy actions aimed at achieving an inclusive information society thus contributing to reaching the policy targets established in the Riga Ministerial Declaration on e-Inclusion adopted on 11 June 2006 by 34 European countries¹.

The actions proposed in the Communication are non-regulatory and do not impose administrative and financial burdens. Accordingly, the IA explores the policy challenges, defines possible options for solutions, provides a qualitative assessment of the impacts of the various options, and anticipates some quantitative assessments of scenarios if all e-Inclusion targets were fully achieved. In doing so, it fully meets the principle of proportionate analysis set out in the Impact Assessment Guidelines².

The impact assessment also responds to the plea of the 2005 Communication on e-Accessibility to assess progress on this subject in 2007. Usability of information and communication technologies (ICT) for people with disabilities (e-Accessibility) and increasingly for Europe's ageing users, is a key prerequisite for them to benefit from the information society. The impact assessment recognises that little progress has been achieved and that further measures shall be proposed in 2008. Therefore, it provides for a preliminary assessment of those measures and anticipates that further consultation of stakeholders and impact assessment will take place in 2008.

What is e-Inclusion and why do we care about it?

E-Inclusion was defined in the Riga Ministerial Declaration as meaning both inclusive ICT and the use of ICT to achieve wider inclusion objectives. In other words, e-inclusion refers to the extent to which information and communication technologies help to equalise and promote participation in society at all levels by enhancing social relationships, facilitating economic opportunities for work and entrepreneurship, developing cultural aspects of society, encouraging civic participation.

The extent of the challenge: how many are left behind?

The fast developments in ICT represent a significant opportunity allowing individuals to enjoy the benefits of the information and knowledge society. ICT have become a prerequisite for many to be active and empowered individuals in society. However, they also create new barriers in terms of geographical availability of ICT added value services, accessibility for people with disabilities and older users, differences in employability related to educational levels, competences and motivation, social stratification in terms of affordability of use. If let

¹ The Declaration (11 June 2006) identified targets to reduce digital disparities in: ICT and ageing, geographical divides, e-accessibility, digital competences, ICT for cultural diversity and inclusive e-government. http://ec.europa.eu/information_society/events/ict_riga_2006/doc/declaration_riga.pdf

² "Broad policy-defining document" require to assess impacts in a preliminary and mostly qualitative way (IA Guidelines, SEC(2005) 791, p. 8).

unchecked, these barriers will mutually reinforce each other and risk creating, along side marked digital divides, deep social and economic distance in the European society. An estimated 30-40% of the population does not receive the benefits of the information society due to geographical location, disability and age, gender, ethnicity, insufficient competences and information, or precarious economic conditions (taken as a proxy of usage of ICT in general, 200 million Europeans are estimated not to use the Internet)³.

The groups mostly affected and the potential target of policies are (data on EU27 in 2006):

- Disabled people in general: an estimated 74 millions Europeans (including both severe and less severe disabilities)⁴;
- Europeans at risk of poverty: 98 million (of which about 9% of working poor)
- Foreign born residents: about 15 million
- In addition:
- Of the population with low levels of education those who do not use the Internet: about 74 million;
- Of the employed population those who do not use the Internet: about 89.5 million;
- Of the young people (15-24) those who do not use the Internet: about 18 millions.

Why Europe needs to act?

The IA provides the rationale for strengthening policies for e-Inclusion and better coordinating them at EU level. All things being equal, evidence shows that there is a substantial risk that new ICT lead to pronounced new forms of exclusion, namely digital exclusion. Conversely, many opportunities remain unrealised with significant losses in terms of employment and economic growth if ICT is not fully exploited. Without comprehensive policy measures economic and social opportunities of the information society will be foreclosed for many in Europe.

The first "Riga Dashboard"⁵ exercise (annex 2 of the IA) and other studies show that persistent disparities in access, accessibility and usage of information society tools and services remain:

Disparities in usage are substantial. The percentage of regular Internet usage in 2006 for EU27 was:

- 76% for Europeans with high formal education, 25% for those with no/low level of formal education
- 58 % among those in employment versus 36% among the unemployed
- 51% among those living in densely populated areas versus 35% for those in sparsely populated areas.
- Still 15 million students do not use Internet, a main disadvantage to leverage education
- Among the 16-24 aged 18 million and in the 24-55 aged still about 50% do not use the Internet
- About 20 million unemployed do not use the Internet
- Women have almost filled the Internet usage gap, but gender issues remain in e-Inclusion

Non usability of ICT (lack of e-Accessibility) is a barrier for disabled and older persons:

- only 5% of EU27 public websites comply with minimum web accessibility standards and guidelines
- subtitled audio-visual programming varies widely (from 2.5% to 95%)
- sign-language programming is a lot less than subtitling and varies much, from less than 0.5% to 5%
- Broadcasting with audio description ranges from less than 1% to more than 10%

³ Eurostat, Community Survey on ICT use in Households and by Individuals (aged 16-74) 2006

⁴ Communications Committee Report (COCOM), 2004, based on Eurostat data and estimating 15% of total EU population as being disabled. The other used measure is the percentage of disabled on working population (based on Eurostat data). In 2002 among persons aged between 16 and 64 years in EU25, 44.6 million – i.e. one in six (15.7%) – stated that they had a long-standing health problem or disability. Eurostat, Statistics in focus, Theme 3 – 26/2003 (http://ec.europa.eu/employment_social/health_safety/docs/disabled_%202002_en.pdf).

⁵ A set of indicators to monitor progress on the targets established in the Riga Ministerial Declaration

- Considerable fragmentation across product ranges refers to built-in accessibility in PCs and software.

Rural-Urban divides are appearing in broadband coverage and access.

- 89% of the EU27 population is covered by broadband at the end of 2006 (92% in EU 15)
- in rural areas the average coverage stands at only 71%, with lower download speeds

Differences in digital literacy:

- Only 57% of Europeans have some degree of Internet and computer skills
- Those with the lowest computer and Internet skills are the less educated, older people and the economically inactive

Differences in the use of e-Government services. Among the age group 15-74 in 2006 in EU27:

- 21% used the service to get information
- 13.3% downloaded forms
- 8.8% completed transactions

Differences in ICT use depending on age:

- 71% for 16-24 versus only 10% among those aged 65-74 use the internet
- 43 million aged 55-64 and 37 million are aged 65-74 are not using Internet.

How much can Europe gain from e-Inclusion?

e-Inclusion has a substantial economic value for Europe. It is a key enabler for broad-based sustainable growth and it benefits society overall. Initial estimates indicate that benefits from e-Inclusion in the EU could be in the order of €35 to €85 billion over five years.

What are the objectives supported?

The overall objective of the e-Inclusion Strategy is *to promote both inclusive ICT and the use of ICT to achieve wider inclusion objectives while providing grounds for economic growth and new business opportunities.*

By mobilising all actors (Member States, industry stakeholders and the civil society) and the available policy instruments it is thus the intention to turn e-Inclusion from a social necessity into a significant economic opportunity for Europe. Raising the awareness of this intention and commitment to advance e-Inclusion is one step recommended in this IA. In addition, the

IA suggests three more specific objectives to address e-Inclusion challenges for users, industry, and authorities:

- Users: bridging the digital availability, accessibility, affordability and ability gaps,
- ICT industry and service providers: stimulating and enabling inclusive ICT as a viable and thriving business,
- Public authorities: putting in place actions and initiatives aimed at coherent and efficient e-inclusion policies.

What are the policy options assessed?

The IA assesses the following policy options for e-Inclusion and proceeds to a specific analysis of the situation in the area of e-Accessibility as required by the 2005 Communication on e-Accessibility⁶:

- (1) A continuation of the status quo. In the specific area of e-Accessibility, this option is addressed by analysing the impacts of current regulatory provisions;
- (2) A limited approach consisting of carrying out some specific activities at the EU level in the different areas, and with no additional coordination or integration of efforts and with only limited targeting action at groups at risk. In the specific area of e-Accessibility, this option assesses a limited effort to improve coordination of Member States and stakeholders' activities;
- (3) An integrated and coherent strategy to enhance synergies and impact through: a) better targeted to the needs of specific groups at risk; b) more coordinated and integrated across policies field; c) focused both on helping groups to reap the benefits of the information society and on using ICT to deliver services more effectively to them; d) based on stronger and more robust knowledge and quantitative evidence feeding into monitoring and evaluation mechanisms and e) increasing awareness and commitment. In the specific domain of e-Accessibility, this option includes exploring preliminary impacts of activities aimed at strengthening legislation in the area.

What are the proposed actions?

The IA provides the necessary evidence and argumentation that there is a high added value in addressing e-Inclusion at European level by enhancing policy coherence across the EU, mobilising key players (Member States, industry and users), mainstreaming e-Inclusion in all policy areas, exploring ways to further improve legislation on e-Accessibility. This requires raising awareness and political/stakeholder commitment by giving visibility to events and initiatives that “make the case” for e-Inclusion and that demonstrate progress.

In addition, actions are proposed in three areas:

- *Firstly, enabling the conditions for everyone to take part in the information society.* A number of essential barriers to the information society continue to persist. Amongst those is e-accessibility. Large productivity losses are incurred due to lack of e-accessibility while the costs of adaptations would be limited. Progress is found to be lacking due to fragmentation: industry considers the lack of a common approach to e-accessibility a barrier to the internal market. However, progress is also insufficient due to lack of prioritization and user-industry cooperation: industry – as well as Member States – should be expected to step up their own efforts in e-accessibility. The impact analysis shows that this issue is a priority to address and proposes amongst others to explore a horizontal approach to e-accessibility legislation (i.e. not specific to one type of technology or usage), respecting subsidiarity and proportionality.

⁶ Communication on e-Accessibility COM(2005) 425: "A follow-up that focuses on the e-Accessibility situation will be made two years after the publication of this Communication. ...the Commission may consider additional measures, including new legislation if deemed necessary. This e-Accessibility work will in turn contribute to the already announced 2008 European Initiative on e-Inclusion"

- In addition to e-accessibility, basic digital literacy should be improved, for which industry and Member States should be expected to team up more strongly, as well as availability of broadband networks, especially in rural areas, for which regional authorities and industry should be called to step up efforts.
- *Secondly, accelerating effective participation of target groups at risk of exclusion and improving quality of life.* In order to accelerate the benefits of the information society for groups at high risk of exclusion a set of targeted actions should either be launched or, where already started, should be pursued with more vigour around coherent agendas. These are actions to overcome the risk of exclusion in the information society of older people and those at risk of exclusion due to their health condition, building on the common EU agenda defined in the Action Plan for "Ageing well in the Information Society" and a new initiative for tele-medicine. It is also found to be particularly meaningful to develop and share common approaches for inclusive public services delivery to socially disadvantaged people, building on the e-Government Action Plan. A process should also be started to define additional targeted actions if needed, by the end of 2008 (e.g. for marginalised young people and migrants at risk of exclusion).
- *Thirdly, integrating e-inclusion actions to maximise lasting impact.* Even though e-inclusion is a wide and dispersed area in terms of factors and actors, a high added value is in common monitoring and benchmarking – based on a "Riga Dashboard" that is already being developed, strengthened cooperation around this common strategy by users and their representatives, industry, authorities and the European Commission reinforcing the voice of users through strengthened e-Inclusion competences and cooperation. The sustainability of e-inclusion impact is considered to be fundamentally related to mainstreaming e-inclusion, which means that exclusion considerations are taken into account early-on in general purpose technology design and development (inclusive design) as well as that the information society dimension is part and parcel of the design of the general policies that address social and economic exclusion (information society-enabled inclusion policies).

Finally, given the fragmentation in e-inclusion so far, and the plethora of sub-critical and uncoordinated activities there is an added value in an EU-level attention for raising awareness and exchange of good practices. This strategy should build on the many initiatives of stakeholders, enhancing them with a common branding, as a set of awareness actions culminating as a major contribution to a political and high-visibility e-Inclusion conference at the end of 2008.

What is the resulting European added value?

The **added value** of the European e-Inclusion Initiative rests on its *contribution to the realisation of common and systemic approaches for e-Inclusion*, by improving synergies across policy initiatives at EU, national and local levels. It also relies on efforts to cluster business-led initiatives, increase their visibility and ensure replication of successful ones. By doing so, the initiative is aimed at delivering so called "multiplier effects" necessary to increase positive impacts of ongoing actions at all levels.

As the causes of digital exclusion are mutually reinforcing, so are the benefits of inclusion in the information society once the necessary drivers are activated and act synergistically. This process is expected to deliver greater social and economic impacts by strengthening the active inclusion of individuals in the European economy and society, and by fostering the internal market for inclusive technologies and services and promoting research and innovation in the

area. Progress is proposed to be measured on a number of supply and demand side indicators (the Riga Dashboard). Initial estimates in this IA relate such progress to economic benefits among others. Future studies and modelling will further strengthen the evidence and understanding of the relationship between these indicators and wider economic and social progress.