A practical Policy Framework for achieving economic Growth and Jobs

i2010 provides a policy framework for developing Europe's economy using the competitive advantages provided by Information and Communication Technologies.

Digital convergence is and will continue to be a major driving force for economic growth and for improving people's quality of life in Europe:

- Information and Communication Technologies (ICTs) account for about half of Europe's recent productivity growth, while the ICT industry alone generates 6-8% of EU GDP;

- ICTs are a powerful tool in areas as diverse as improving public services (healthcare, government), enhancing environmental protection and preserving and promoting Europe's cultural heritage;

The converging worlds of ICTs and media are providing massive new market opportunities (see box).

These opportunities, however, are being held back by regulations designed for a bygone era and insufficient research and development. Greater efforts are needed to ensure that the benefits are shared by everyone.

i2010 - a new strategic framework for an open and competitive digital economy

European policy, in other words, needs to evolve, matching the digital convergence already being seen in technology and markets around the world.

Hence i2010 (European Information Society 2010 for growth and employment). Proposed by the Commission in June 2005, it is a new strategic framework to promote an open and competitive digital economy, emphasising ICTs as a driver of growth and jobs in Europe while at the same time contributing to inclusion and quality of life.

i2010
Information Space
Innovation & Investment in R&D
Inclusion

i2010 is the first concrete set of proposals launched by the Commission as part of its renewed drive for economic growth and jobs – the so called "Lisbon Strategy". i2010 sets out three policy priorities:

1) Single Information Space

Europe's Information Society must create a "single information space" to seize the opportunities of converging markets. Digital convergence calls for policy convergence aiming at a common set of regulations that govern the supply of content and services and the operation of networks, irrespective of the underlying technologies used.

Under i2010, the Commission will therefore:

- **Revise Europe's Information Society regulations**, including spectrum management, audiovisual media services and the above electronic communications framework;

- **Develop strategies** for a secure information society and digital rights management;

- **Support the creation and distribution of content** through programmes such as MEDIA, eContent*plus*, Safer Internet and others.

Convergence at a Glance

The traditionally separate worlds of content (from newspapers to cinema via books and radio), traditional telecommunications and IT began converging some time ago, but the process is not over and continues to surprise, disrupt existing industries and create new opportunities.

Digital technology now means that voice communication is no longer the preserve of classical telecoms networks - Voice over IP or "Internet telephony" is becoming commonplace, particularly within corporate networks. Audio and video recording made at home can be distributed to the world from a normal computer. Videos can be filmed, sent and received using mobile phones.

While some of these developments were foreseen, others were not – this is a dynamic, unpredictable environment where newcomers can create entirely new businesses. Ensuring Europe thrives means giving Europeans the tools they need to innovate: world-class ICTs, a content sector ready for convergence, the right laws and regulations, high-quality and low-cost communications, and more.

Information Society and Media

European Commission

2) Research

Europe's future competitiveness depends on investing significantly in research, particularly in ICTs - a recent study suggests that every euro invested in longer term European research yields a net gain of €7. Yet Europe invests considerably less in ICT research than either the US or Japan (see table).

Investment in ICT Research (2002)			
ICT R&D	EU-15	US	Japan
Private sector investments	23 B€	83 B€	40 B€
Public sector investments	8 B€	20 B€	11 B€
Inhabitants	383 m	296 m	127 m
Investments / inhabitant	80 €	350€	400€
ICT R&D as % Total R&D	18%	34%	35%
Source: IDATE (for EU-15); OECD			

This gap is set to close: **i2010 calls for Europe to increase investment in ICT research by 80%.**

i2010 also aims to get more out of ICT research: trans-European demonstrator projects will test promising research results, and small and medium sized enterprises will be better integrated into EU research.

Research and innovation are not enough. The markets are constantly developing new eBusiness solutions and the competitiveness of the European economy depends on the wide adoption of these solutions by all businesses, in particular SMEs. Supportive eBusiness policies are therefore needed.

3) Inclusive Information Society

Applying ICTs to public sector services can bring immediate benefits to all citizens, helping meet the growing demand for better health care, improving education and lifelong learning, providing a better quality of life for elderly people, and generally improving security and social inclusion.

Yet these benefits must be widely available and accessible to all - Europe must not develop a "Digital Divide", where a lack of digital literacy or Internet access in remote regions deprives people of better services. i2010 will develop a far-reaching initiative on Inclusion in 2008 starting with immediate actions on eAccessibility and the broadband territorial divide.

i2010 also aims to provide better services for citizens.

The Commission is developing an Action Plan on e-Government and will launch 3 flagship initiatives:

- advanced services to help the **elderly and frail** live a better life and remain in their own homes;

- **intelligent cars** that are both cleaner and safer;

- **digital libraries** to promote cultural awareness and protect Europe's rich heritage. A European e-Inclusion Initiative is planned for 2008.

European Challenge, National Plans

Though the i2010 strategy has been proposed by the Commission, its implementation depends on concerted action by the Member States. Europe as a whole will succeed to boost economic growth only if these challenges are faced together.

The Commission is therefore calling on Member States to commit to i2010 policies, and to integrate these into their own National Reform Programmes, due to be shared in October 2005. The intention is then to compile annual Implementation Reports as a basis to assess progress being made in the EU.

Other stakeholders are also asked to commit. Industrial partners, in particular, are being encouraged to increase their investments in ICT research, and to collaborate to overcome remaining bottlenecks that still choke the development of Europe's digital economy.

An agreement on the means to implement i2010 is expected to be reached in the EU's Telecom Council in December 2005.

See Also:

- FactSheet 13: Electronic Communications: Principles of the New Regulatory Framework

- FactSheet 14: Electronic Communications: How the New Regulatory Package Works

- Factsheet 19: eContent*plus*: Stimulating Europe's Digital Content and Services Industry

- Factsheet 20: Intellectual Property Rights and Digital Rights Management Systems

- Factsheet 21: eTEN: Deploying Trans-European electronic Services for all

- Factsheet 28: IST Research: European Leadership for the Knowledge Economy

All Factsheets and more can be downloaded from "Europe's Information Society: Thematic Portal", below.

Further Information

- **i2010:** http://europa.eu.int/i2010

- **Europe's Information Society: Thematic Portal** http://europa.eu.int/information_society/

- **A new start for the Lisbon Strategy:** http://europa.eu.int/growthandjobs/index_en.htm

- **Information Society Directorate-General:** Av. de Beaulieu 24, 1160 Brussels infso-desk@cec.eu.int

  http://europa.eu.int/comm/dgs/information_society/index_en.htm