

## Webcast

### PS6: From Ideas to Reality - Implementation, Financing and Good Practice

This session explored the measures of bringing eInclusion initiatives to fruition, particularly concerning the use of market and public sector mechanisms. Specifically, 1) whether or not the market could deliver on Inclusion services by itself? 2) what are the issues involved in creating sustainable services and solutions for the eInclusion market? and 3) what kind of public sector support would be needed in areas where there is no evident commercially viable business case? The session was chaired by Fabio Colasanti, Director-General, Information Society and Media Directorate, European Commission.

Drawing on the experience of Citizens Online, a highly successful UK eInclusion charitable activity, **Charles Lowe** suggested that **NGOs have a unique role in eInclusion** in that they are the trusted intermediary between the corporate world and community. NGOs can work on behalf of the whole community. They can effectively broker mutually beneficial sponsorship with industry. They can also do more for less. NGOs are intrinsically highly attractive partners for eInclusion projects.

**Kristin Vewtgren Saeteroy** (Ericsson Enterprise) presented the Ericsson Mobile Health, a commercial activity that has grown out of the EC-supported HS24 and MobiHealth projects. EMH indicates that it is possible to create a win-win situation for both public and private sector actors where efficient processes, cost reduction and social benefits are parallel project objectives. The success factors crucially involve **engagement with all the partners in the full value chain** for the delivery of **end-to-end solutions** across multiple business processes.

By analysing the characteristics of the ICT market, particularly from an economic viewpoint, **Patrick Vanhoudt** (European Investment Bank) argued that because of network effects, **the public sector has an important role to play in the eInclusion market**. He highlighted the EIB's i2i – the innovation 2010 initiative, under which ICT projects may be financed. Public financing for SMEs is particularly important in the development phase of any product or service, as banks are reluctant to provide loans without cash flow.

**Roberto Pizzicannella** (CNIPA) described various advanced eInclusion projects at the local level in Italy, which directly involve citizens in the decision processes of public administration. He emphasised the importance of **good practice exchange**, community-creation around projects, and knowledge transfer and re-use. To illustrate the value of good practice exchange, he suggested that municipalities, especially those in less developed regions, can be highly effective in promoting eInclusion through providing locally-based, customised eServices.

The presented examples and the ensuing discussion show that eInclusion projects and sustainable eInclusion services typically involve complex interactions between partners. Successful projects need to involve all the actors in the value chain. However, there is a need to find the “right mix” in the partnership model, depending on the characteristics of the project.

While the business case may exist for some market segments, there are concerns that the business case is less certain in the core areas of eInclusion, particularly as regards the needs of small groups of minorities who risk isolation and marginalisation. Therefore, the public sector should support those eInclusion services for which private sector investment is insufficient or unviable. **The public sector has a variety of roles in mainstreaming eInclusion, complementing activities in the market**. Public sector activities may include education, standards promotion, facilitating the legal framework, mandatory regulatory measures, as well as “putting money on the table” (e.g. for eInclusion projects that are of an infrastructure type).

There is a clear requirement for **a broader and deeper understanding of the nature of eInclusion**, particularly user needs and wants, for which the use of conventional financial

metrics may not be adequate or indeed appropriate. Such an understanding would also help the prioritisation of eInclusion activities, which are themselves essential for strengthening the European social model.

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**Objective 1: Long term Sustainability** Ensure eServices are sustainable and have a long lasting impact, in the lead up to and after 2008. There is however a clear need for a broader and deeper understanding of the nature of eInclusion, for which the use of conventional financial metrics may not be sufficient or indeed appropriate. eInclusion needs to be considered as part of the Union's social policy.

### Barriers

eInclusion faces major challenges in moving from ideas to successful reality. These include sustainability, affordability, connecting to mass-markets, and overcoming hesitations in financing.

The eInclusion market is characterised by features that make it hard to develop conventional business cases, and to implement sustainable eServices.

Getting the balance right between citizen benefits and political/positive financial benefits is difficult– this is to a large extent the argument of quality over profitable business cases.

### Possible actions

Initiatives must be tailored to the uniqueness of the eInclusion market in order to open it for business, growth and for those excluded or marginalised.

Large Scale Pilots – an implementation instrument (e.g. in ICT PSP) and part of a coherent approach jointly developed (through action plans and roadmaps) by the Commission, Member States and, where appropriate, other stakeholders, to achieve enhanced interoperability and/or European wider proliferation of “common interest” services.

The pilots must be undertaken under realistic conditions, user driven, and with long-term sustainability as a key goal. Results have already been achieved as part of a real life service roll-out and involving the full value chain.

Exchange of good practices is a particular valuable process in the area of inclusion. Explore how local and regional authorities best learn from each other and how can best practices be passed on to other relevant stakeholders, how to extract common benefits across borders, and added value of EU co-operation.

The EIB can also provide support through its i2i programme. Pooling the leasing operations of SMEs has been suggested as possible project proposals.

An appropriate regulatory framework for eInclusion is needed. Legislation is an important instrument, but it cannot be seen just as an obligation, it should also be seen an opportunity to implement effective eInclusion services.

**Objective 2: Strong Partnerships** Significantly improve by 2008 the involvement of all actors in eService value chains, in particular public administrations and NGOs. Partnership models need to be further explored, for delivering sustainable, end-to-end solutions that meet users' needs.

### Barriers

There is a need for different tools and partnerships to ensure sustainable impact of eServices in the lead up to and after 2008.

There is insufficient awareness amongst stakeholders of the benefits of Trans-European partnerships.

Insufficient involvement in pilot projects of the sustaining partners and of public administration and NGOs. More participants from the member states are also welcome.

**Possible actions**

Investigate the use of public finance schemes in ensuring a sustainable market.

Clearly identify and investigate user needs – focus on what citizens/business want, their visions and what they see as top priorities, the best process to increase their involvement. Use the insight to set priorities for actions. A (user-driven) push model is preferred over a (technology-driven) pull model.

To increase stakeholders' involvement in eInclusion activities. Facilitate closer co-operation between public administrations, industry, the voluntary sector and users. As demonstrated, there is clearly scope for the 'third sector', i.e. NGOs, to be active in the area of inclusion services. NGOs may also team up with commercial actors in providing industry sponsorship models.

New service deployment pilots: Proposed projects should focus on the first deployment of a new service that is based on the innovative use of ICT. Projects should comprise a partnership representing the complete value chain of actors needed to validate and deploy a service, including long-term service sustaining partners (often a public partner). The partners should anticipate the scalability of the proposed service at a pan-European level.

Again, the exchange of good practices is a particularly valuable process to ensure that maximum benefit is drawn from the experiences and lessons across Europe. European Union member states can replicate, from other member states, useful approaches and solutions to delivering electronic services in areas such as eHealth, eGovernment, eSkills and eInclusion.

Local initiatives are also important. The valuable experiences from such initiatives may be suitable for replication at the European level to facilitate knowledge exchange, community creation and re-use of good practices.