

Digital Single Market

Reports and studies16/01/2014

New Study on Unlocking the ICT Growth Potential in Europe: Enabling people and businesses

A new report by The Conference Board highlights the importance of unlocking ICT's growth potential in Europe and calls for a strategic vision for Europe to be ready to drive the new wave (mobile broadband, cloud computing, Big Data, Internet of Things).

As the EU aims for economic recovery, the report identifies four scenarios that show that ICT can be a major source of growth for the EU. In particular, it shows that if global growth would resume and the single market was deepened, ICT could bring more than half of GDP growth. Also, unrestrained use of ICT across the single market could mitigate the consequences on the EU of possible decelerating global growth.

The Report also considers other scenarios, including the risk that the EU gradually falls into a "digital desert" compared with its main competitors. Highlighting the need for the EU to address major bottlenecks, namely market and regulatory fragmentation, underinvestment in ICT infrastructures and a lack of technology related skills and cultural readiness to adopt and integrate new technologies, the Report stresses the urgency that Europe fully realises its ICT potential now. The limits of fragmented digital markets and the lack of integration in services sectors are becoming an ever greater constraint to the advantages – scalability, flexibility, cost effectiveness – offered by the new technologies. Without resolute action the EU risks having to watch from the sidelines as other regions race ahead and our firms take their ideas and opportunities outside the EU.

At the same time, the Report also stresses Europe's strengths and potential, on the basis of which the EU should enhance its role in driving growth and demand. This role was recognised by the European Council of 24-25 October 2013, which highlighted that there is an urgent need for an integrated single digital and telecoms market to mobilise the potential of the digital economy, innovation and services for growth and jobs. The Commission is taking this work forward through a series of measures, including an ambitious strategy on cloud computing, and a "grand coalition" of business, governments and academic institutions working together to build tomorrow's digital skills. In particular, the Commission hopes that the legislator will heed the European Council's call for timely adoption of the proposal on a telecoms single market which can ensure a dynamic telecoms market and plentiful broadband to support future growth.

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[2014 Annual Growth Survey](#) [1]

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