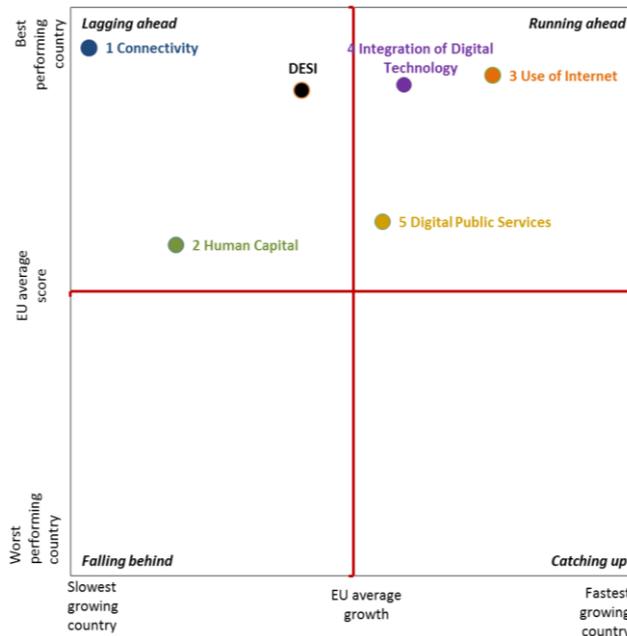


Europe's Digital Progress Report (EDPR) 2016

A report complementing the Digital Economy and Society Index (DESI)¹ country profile

BELGIUM

Belgium ranks fifth out of the 28 EU Member States according to the European Commission's Digital Economy and Society Index (DESI) 2016². Belgium performs better than the EU average but it has improved at a slower rate than the EU as a whole, which places it in the **lagging ahead** cluster³ of countries. However, compared with the previous year, Belgium has still improved or maintained its good position in all DESI dimensions. The country is a top performer in connectivity; citizens in Belgium are avid Internet users; and Belgian businesses are second in Europe when it comes to electronic information sharing through business management software. The supply of Digital Public Services improved over the last period.



Belgium's performance in the five DESI dimensions relative to other EU countries

1 – Connectivity

Belgium is one of the leading performers in connectivity in Europe. The country scores second in the EU but progress is slow. The coverage of the country is complete and 99% of the country is covered by fast networks (at least 30 Mbps). 78% of households subscribe to fixed broadband, and three quarters of these are fast broadband subscriptions. Compared with its overall performance, Belgium is slightly lagging behind on the use of mobile internet.

In order to keep its leading position, Belgium needs to address two challenges in the area of fast Internet connectivity: first, to further increase the uptake of mobile broadband as mobile devices are becoming an essential gateway for consumers to communicate, work and shop in the digital economy. Indeed, the uptake of mobile broadband has accelerated recently and Belgium has also engaged in the “surfmobile” campaign to inform citizens about the benefits of mobile broadband.

Secondly, in order to keep its leadership position in connectivity, the country must encourage the deployment of ultrafast broadband connections (above 100 Mbps). Whereas operators have in

¹ The Digital Economy and Society Index (DESI) is a composite index developed by the European Commission (DG CNECT) to assess the development of EU countries towards a digital economy and society. It aggregates a set of relevant indicators structured around 5 dimensions: Connectivity, Human Capital, Use of Internet, Integration of Digital Technology and Digital Public Services. It clusters countries in four groups: Running ahead, Lagging ahead, Catching up and Falling behind. For more information about the DESI please refer to <https://ec.europa.eu/digital-single-market/en/desi>

² DESI country profile for Belgium: <https://ec.europa.eu/digital-single-market/en/scoreboard/belgium>

³ Other countries lagging ahead are: Denmark, Finland, Ireland, Lithuania, Luxemburg, Sweden and the United Kingdom.

previous years upgraded their legacy copper and coaxial cable networks, ultrafast networks will require installation of fibre, connecting businesses and households directly at their premises.

The strategy "Digital Belgium" presented in 2015 outlines the digital long-term vision for the country and sets out five priorities⁴. The strategy also covers a Plan for Ultrafast Internet in Belgium. Its ambition is that half of all connections in Belgium should achieve Internet speeds of up to 1 Gbps by 2020. Belgium follows a market-based approach to achieve its connectivity targets. Cable provider Telenet announced an upgrade its network to reach Gigabit connectivity; but these announcements have not yet been matched by operators in other parts of the country.

The government also wants to boost the further roll-out of mobile broadband technologies, such as 4G/LTE and prepare the ground for 5G.

Lowering deployment costs has a positive effect on the business case and encourages operators to make network investments. For instance, according to the Belgian federal authorities, the tax on the use of masts and pylons and certain radiation standards are an obstacle for quicker deployment. The authorities plan to consult the competent bodies to point out the impact of these measures upon investment. Finally, Belgium still has to transpose the Cost Reduction Directive⁵ which could help to speed up broadband roll-out.

2 - Human Capital

In terms of human capital, Belgium performs above EU average but progress is slow. Belgium has a significant share of regular Internet users (83%), and 60% of citizens have basic digital skills but 13% of all Belgians between 16 and 74 years have never used the Internet.

The transmission of technology into new ideas and products also hinges on the availability of a vast pool of aptly-skilled workers. While Belgium disposes of an overall qualified workforce with a high participation rate in tertiary education, the country has a low share of graduates in science, technology and mathematics ("STEM"). Shortages in these fields could become a major barrier to growth and innovation, with scarcities already emerging for certain functions which require, for example, digital skills. In 2015, 46% of enterprises with job vacancies requiring specialised ICT skills reported problems in filling these positions. There is thus a shortage of qualified ICT experts which is estimated to rise from about 8,000 persons in 2012 to 30,000 in 2020⁶.

To boost digital skills in the population, the Belgian authorities have launched "Digital Champions", a Belgian digital skills coalition. The initiative federates several existing schemes and also experiments with new approaches such as bringing ICT professionals to schools to inspire young people. At community and regional levels, various measures have been taken to tackle the low share of new science and engineering graduates. In Flanders, the STEM action plan aims at increasing the number of students in STEM subjects and a similar initiative is underway in the French-speaking part of Belgium.

Building on these initiatives, for example a stronger dialogue between the educational systems and companies to match graduates and labour market demand can further boost digital skills for all target groups.

⁴ Wallonia and Vlaanderen also have "digital strategies", presented in 2015.

⁵ Directive 2014/61/EU of the European Parliament and of the Council of 15 May 2014 on measures to reduce the cost of deploying high-speed electronic communications networks (OJ L155, 23 May 2014, p. 1)

⁶ empirica, e-skills in Europe, country report Belgium, study commissioned by European Commission, 2014.

3 - Use of internet

Belgium performs very well regarding the use of internet services. Citizens in Belgium are keen Internet users and engage in a broad range of online activities, like reading news online, listening to music, watching films and playing games online, using the Internet to communicate via video calls or through social networks, and obtain video content using their broadband connections (73% of households subscribe to Video on Demand).

4 - Integration of Digital Technology

Belgium performs and progresses very well concerning the integration of digital technology into business. Belgian businesses increasingly exploit most of the possibilities offered by on-line commerce, social media and cloud-based applications. Electronic information sharing is popular with businesses and Belgian SMEs are relatively strong in selling online cross-border. Almost a quarter of its SMEs sell online and 13% do so cross-border, an important channel to address wider markets.

"Digital Belgium" and the regional action plans rightly identify that more needs to be done, in particular for SMEs, to boost the use of digital technologies. To do so, Belgium and the regions could make good use of the European Structural and Investment Funds for the period 2014-2020, as funding has been earmarked for the digitisation of the economy. To support entrepreneurs, Belgium launched a "tax shelter" for digital startups. It also features a number of initiatives in the area of industry 4.0, such as Made Different, Marshall 4.0 and Make Minds.

5 - Digital Public Services

In the dimension of Digital Public Services, Belgium is performing well and making good progress. There was growth in most of the monitored categories with the exception of the percentage of internet users returning filled forms.

The complexity of Belgium's political governance structures also has implications for this policy area, as many public sector actors share responsibility in this field. For instance, the potential offered by ICT is not being exploited in the judiciary.

However, Belgium is on a promising trajectory with a plethora of different projects⁷ delivering their impacts. For instance, in 2015, the Flemish government adopted the "Vlaanderen Radicaal Digitaal" programme. This programme aims to digitally transform regional (and local) government, by using innovative ICT technology. In March 2015, the electronic prescription Recip-e was launched based on a previous study done under the supervision of the federal Public Service of Health. This service is intended to replace paper prescriptions in the mid-term and already accepted by more than 90% of general practitioners.

In July 2015, the Belgian federal government presented its Federal Open Data Strategy 2015-2020 ("Stratégie fédérale 'Open Data'; Federale open data-strategie"). The strategy aims to make all government data open by default, except information that has privacy or security implications. Everybody will be allowed to use public data for non-profit as well as commercial applications, for free.

Belgium has a national eID Card which serves for both authentication on most Belgian public administration websites and for eSignature of electronic documents.

⁷ For an overview, see: https://joinup.ec.europa.eu/sites/default/files/ckeditor_files/files/eGovernment%20in%20Belgium%20-%20February%202016%20-%2018_00%20-%20v2_00.pdf

Highlight: Fix My Street Bruxelles/Brussel

As of April 2015, all 19 communes of Brussels are active members of **Fix My Street Brussels**, a web and mobile platform that allows citizens and the administration to report incidents in the public space. The website and mobile app were developed and are maintained by the informatics Centre for the Brussels Region (CIRB). The application enables localization and description of the damage, as well as it comprises an update tool that informs citizens and administration at each stage of the handling of the incident. Although an assessment of the impact has not been carried out so far, this is a promising service combining crowdsourcing of data for management of the public space, allowing citizens to track the progress made by public authorities.