

# Digital Economy and Society Index<sup>1</sup> 2016<sup>2</sup>

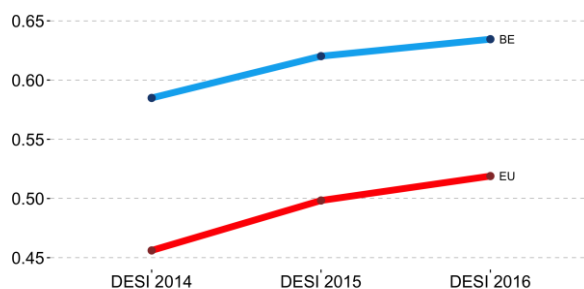
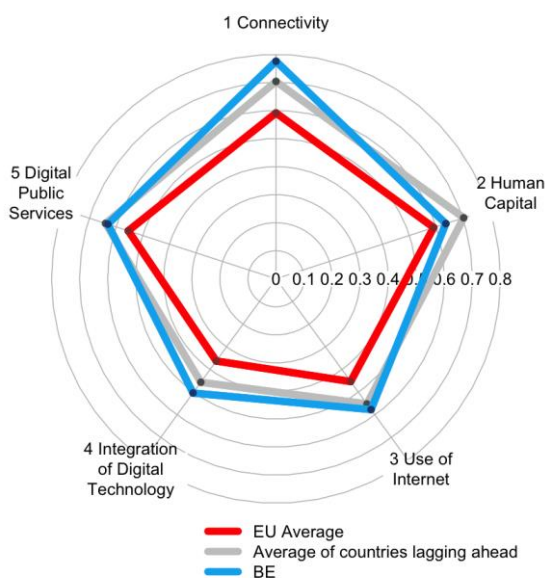
## Country Profile

### Belgium

In DESI 2016, Belgium has an overall score<sup>3</sup> of **0.63** and ranks **5<sup>th</sup>** out of the 28 EU Member States. Compared to last year, Belgium has improved or maintained its good scores in most of the DESI dimensions. 78% of broadband subscriptions are at 30 Mbps or above. 65% of Internet users listen to music, play games and watch videos online (3<sup>rd</sup> in the EU) and Belgian businesses are second in Europe (50%) when it comes to electronic information sharing through business management software. The supply of Digital Public Services improved over the last period. 39% of Belgian Internet users actively used eGovernment services and 85% of the administrative steps in a major life event can be completed online.

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" cluster of countries<sup>4</sup>.

	Belgium		Cluster	EU
	rank	score	score	score
<b>DESI 2016</b>	<b>5</b>	<b>0.63</b>	<b>0.62</b>	<b>0.52</b>
DESI 2015	5	0.62 <sup>5</sup>	0.6	0.5



<sup>1</sup> 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. For more information about the DESI please refer to <http://ec.europa.eu/digital-agenda/en/digital-agenda-scoreboard>

<sup>2</sup> The DESI 2016 is constructed from indicators referring mostly to the calendar year 2015 (except when data is not available for that calendar year, in which case the latest prior data was used).

<sup>3</sup> DESI scores range from 0 to 1, the higher the score the better the country performance.

<sup>4</sup> In the DESI 2016, Belgium is part of the lagging ahead cluster of countries: countries that score above the EU average but whose score grew slower than that of the EU as a whole (in comparison to the DESI 2015). Other lagging ahead countries are Denmark, Finland, Ireland, Lithuania, Luxembourg, Sweden and the UK.

<sup>5</sup> The DESI 2015 was re-calculated for all countries to reflect updates and corrections to the underlying indicator data (which took place between May 2015 and January 2016). As such, country scores and rankings may have changed from the previous publication. For further information, please consult the DESI methodological note.

# 1 Connectivity

1 Connectivity	Belgium		Cluster score	EU score
	rank	score		
DESI 2016	2	0.78	0.7	0.59
DESI 2015	1	0.78	0.7	0.57

Connectivity is the DESI 2016 dimension where Belgium has an outstanding performance. It scores second in the EU with an overall Connectivity score of 0.78.

	Belgium				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	Rank	value	rank	
<b>1a1 Fixed BB Coverage</b> % households	100% (June 2015)	→ 6	100% (Dec 2014)	6	97% (June 2015)
<b>1a2 Fixed BB Take-up</b> % households	78% (2015)	↓ 6	81% (2014)	5	72% (2015)
<b>1b1 Mobile BB Take-up</b> Subscribers per 100 people	61 (June 2015)	↑ 23	57 (2013)	22	75 (June 2015)
<b>1b2 Spectrum</b> % of the target for spectrum to be harmonised at EU level	72% (Dec 2015)	↓ 13	75% (Dec 2014)	13	69% (Dec 2015)
<b>1c1 NGA Coverage</b> % households, out of all households	99% (June 2015)	↑ 2	98% (2013)	2	71% (June 2015)
<b>1c2 Subscriptions to Fast BB</b> % of subscriptions >= 30Mbps, out of fixed BB subscriptions	78% (2014)	↑ 1	73% (2013)	1	30% (June 2015)
<b>1d1 Fixed BB Price</b> % individual gross income spent for the cheapest standalone Fixed Broadband subscription (lower values are better)	1.3% (Access costs: 2015, income: 2014)	→ 15	1.3% (Access costs: 2014, income: 2014)	16	1.3% (Access cost: 2015, income: 2014)

Belgium is one of the leading performers in connectivity. The coverage of the country is complete, 99% is covered by fast networks (at least 30 Mbps), 78% of households subscribe to fixed broadband, and three quarters of these subscriptions are fast.

Belgium scores well but faces two challenges for fast Internet access: First, it needs 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. Secondly, in order to keep its leadership position in connectivity, Belgium needs to encourage the deployment of ultrafast broadband connections (above 100 Mbps). Whereas operators have in the past years upgraded their legacy copper and coaxial cable networks, ultrafast networks will require to install fibre connecting businesses and households directly at the premises.

In April 2015, the Belgian Federal government launched "Digital Belgium"<sup>6</sup>, a Digital Agenda for Belgium, including plans for faster connectivity and digital skills.

<sup>6</sup> <http://www.digitalbelgium.be>

## 2 Human Capital

2 Human Capital	Belgium		Cluster score	EU score
	rank	score		
<b>DESI 2016</b>	<b>11</b>	<b>0.64</b>	<b>0.7</b>	<b>0.59</b>
DESI 2015	9	0.66	0.7	0.58

With a Human Capital score of 0.64, Belgium ranks 11<sup>th</sup> among EU countries with a slightly worse performance than in the previous year.

	Belgium				EU DESI 2016 value
	DESI 2016 value	rank	DESI 2015 value	rank	
<b>2a1 Internet Users</b> % individuals (aged 16-74)	83% (2015) →	9	83% (2014)	7	76% (2015)
<b>2a2 Basic Digital Skills</b> % individuals (aged 16-74)	60% (2015)	10	n.a.	-	55% (2015)
<b>2b1 ICT Specialists</b> % employed individuals	4.4% (2014) ↑	11	4.3% (2013)	11	3.7% (2014)
<b>2b2 STEM Graduates</b> Graduates in STEM per 1000 individuals (aged 20 to 29)	13 (2013) →	24	13 (2012)	23	18 (2013)

Belgium has an important share of regular Internet users (83%), and 60% of citizens have basic digital skills. Belgium should however address the fact that 12.6% of all Belgians between 16 and 74 years have never used the Internet, a figure which does not even capture the oldest part of the population.

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, Belgian 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. This is for example the case for professional digital skills. There is a shortage of qualified ICT experts such as application developers. In 2015, 46.1% of enterprises with job vacancies requiring specialized ICT skills reported problems in filling these positions<sup>7</sup>. For the ICT workforce alone, the shortfall is estimated to rise from about 8,000 persons in 2012 to 30,000 in 2020<sup>8</sup>. Therefore, there needs to be a stronger dialogue between the educational systems and companies to match graduates and labour market needs.

<sup>7</sup> Digital Agenda Scoreboard / Eurostat data

<sup>8</sup> Empirica, e-skills in Europe, country report Belgium, study commissioned by European Commission, 2014.

## 3 Use of Internet

3 Use of Internet	Belgium		Cluster score	EU score
	rank	score		
DESI 2016	3	0.58	0.55	0.45
DESI 2015	7	0.53	0.54	0.43

In terms of the propensity of individuals to use Internet services, Belgium scores 0.58 (up from 0.53 last year) and ranks 3rd among EU countries. The use of Internet continued to grow or remained at least stable in all followed categories.

	Belgium				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>3a1 News</b> % individuals who used Internet in the last 3 months (aged 16-74)	62% (2014) →	24	62% (2014)	24	68% (2015)
<b>3a2 Music, Videos and Games</b> % individuals who used Internet in the last 3 months (aged 16-74)	65% (2014) →	3	65% (2014)	3	49% (2014)
<b>3a3 Video on Demand</b> % households that have a TV	72% (2014) →	3	72% (2014)	3	41% (2014)
<b>3b1 Video Calls</b> % individuals who used Internet in the last 3 months (aged 16-74)	42% (2015) →	13	42% (2014)	13	37% (2015)
<b>3b2 Social Networks</b> % individuals who used Internet in the last 3 months (aged 16-74)	78% (2014) ↑	2	62% (2014)	18	63% (2015)
<b>3c1 Banking</b> % individuals who used Internet in the last 3 months (aged 16-74)	73% (2015) ↑	7	72% (2014)	8	57% (2015)
<b>3c2 Shopping</b> % individuals who used Internet in the last year (aged 16-74)	64% (2015) ↑	12	63% (2014)	11	65% (2015)

Belgian Internet users engage in a broad range of online activities. They read news online (62%), listen to music, watch films and play games online (65%), use the Internet to communicate via video calls (42%) or through social networks (78%), and obtain video content using their broadband connections (73% of households subscribe to Video on Demand). For most of these activities, engagement among Belgians is in line with or higher than the EU average.

## 4 Integration of Digital Technology

4 Integration of Digital Technology	Belgium		Cluster score	EU score
	rank	score		
<b>DESI 2016</b>	<b>4</b>	<b>0.5</b>	<b>0.44</b>	<b>0.36</b>
DESI 2015	5	0.45	0.42	0.33

In the Integration of Digital Technology by businesses, Belgium scores 0.5 and ranks 4<sup>th</sup> among EU countries, its third best rank among the five DESI 2016 dimensions.

	Belgium				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>4a1 Electronic Information Sharing</b> % enterprises (no financial sector, 10+ employees)	50% (2015) ↑	2	47% (2014)	1	36% (2014)
<b>4a2 RFID</b> % enterprises (no financial sector, 10+ employees)	5.5% (2014) →	8	5.5% (2014)	8	3.8% (2014)
<b>4a3 Social Media</b> % enterprises (no financial sector, 10+ employees)	19% (2015)	10	n.a.		18% (2015)
<b>4a4 eInvoices</b> % enterprises (no financial sector, 10+ employees)	12% (2015) ↑	14	11% (2014)	12	n.a.
<b>4a5 Cloud</b> % enterprises (no financial sector, 10+ employees)	17% (2015) ↑	7	14% (2014)	-	n.a.
<b>4b1 SMEs Selling Online</b> % SMEs (no financial sector, 10+ employees)	24% (2015) ↑	4	22% (2014)	7	16% (2015)
<b>4b2 eCommerce Turnover</b> % turnover of SMEs (no financial sector, 10-249 employees)	n.a.	-	n.a.	-	9.4% (2015)
<b>4b3 Selling Online Cross-border</b> % SMEs (no financial sector, 10+ employees)	13% (2015) ↑	2	8.9% (2013)	9	7.5% (2015)

In a truly digital economy, businesses take full advantage of the opportunities offered by digital technologies, both to improve their productivity and to reach consumers. Belgium has a pretty good performance in this area. Belgian businesses increasingly exploit most of the possibilities offered by on-line commerce, social media and cloud-based applications.

Almost a quarter of its SMEs sell online and 13% do so cross-border, an important channel to address wider markets.

## 5 Digital Public Services

5 Digital Public Services	Belgium		Cluster score	EU score
	rank	score		
<b>DESI 2016</b>	<b>10</b>	<b>0.63</b>	<b>0.64</b>	<b>0.55</b>
DESI 2015	13	0.61	0.62	0.54

In the dimension of Digital Public Services Belgium scores 0.63 and thus ranks 10<sup>th</sup> among EU countries, a real improvement to DESI 2015. There was growth in most of the monitored categories with an exception in the percentage of internet users returning filled forms.

	Belgium				EU DESI 2015 value
	DESI 2015		DESI 2014		
	value	rank	value	rank	
<b>5a1 eGovernment Users</b> % individuals returning filled forms, out of Internet users in the last year (aged 16-74)	39% (2015)	↓ 10	42% (2014)	9	32% (2015)
<b>5a2 Pre-filled Forms</b> Score (0 to 100)	65 (2015)	↑ 10	62 (2014)	11	49 (2014)
<b>5a3 Online Service Completion</b> Score (0 to 100)	85 (2015)	↑ 15	81 (2013)	12	81 (2014)
<b>5a4 Open Data</b> Score (0 to 700)	360 (2015)	↑ 16	320 (2014)	16	351 (2015)

Modern public services offered online in an efficient manner are a vehicle for reducing public spending as well as for driving efficiency gains for enterprises, citizens and the public administration itself. Despite its good overall ranking, Belgium still has potential to improve its online public services.