Europe's Digital Progress Report (EDPR) 2016
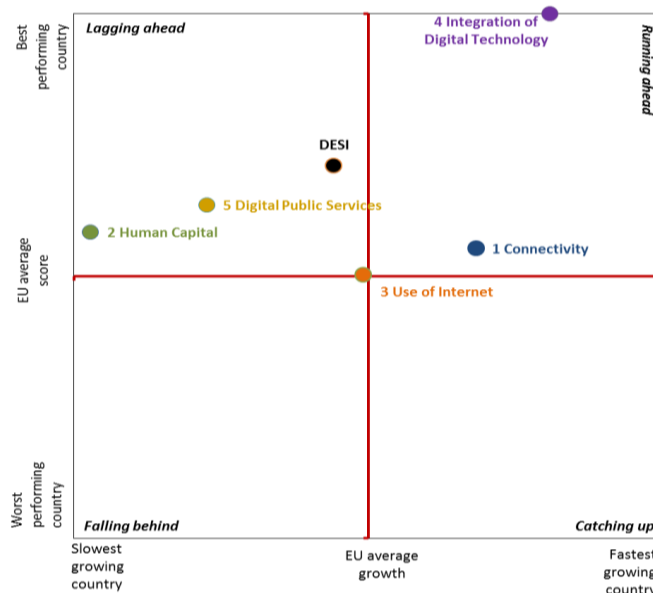
A report complementing the Digital Economy and Society Index (DESI) [1] country profile

IRELAND

Ireland ranks 8th out of the 28 EU Member States in the European Commission Digital Economy and Society Index (DESI) 2016[2]. Ireland is in the **lagging ahead** cluster of countries[3], performing better than the EU average but improving at a slower rate than the EU as a whole. Amongst the DESI dimensions, Ireland has made most progress over the last year with Integration of Digital Technologies. In particular, significant increases in SMEs selling online, selling online cross border, use of Cloud technologies and use of social media were recorded. Nevertheless there continues to be room for improvement especially in electronic information sharing and use of RFID. Major improvements were also made in Connectivity, with substantial increases in NGA coverage and subscriptions to fast

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

broadband, as well as smaller ones for fixed and mobile broadband take up. However access costs remain relatively high as a percentage of income and both coverage and take up of BB remain below the respective EU averages. Use of internet also improved marginally, however Ireland's rankings on Human Capital and Digital Public Services fell. Ireland has developed a National Digital Strategy[4]. The strategy focuses on driving digital adoption in three key areas: enterprise, citizens and education.

1 – Connectivity

In Connectivity, Ireland performs relatively well and has made good progress recently. In Ireland 96% of households are covered by fixed broadband, similar to the EU average of 97%. 80% of homes are covered with speeds of at least 30 Mbps. There was a significant increase in NGA coverage in Ireland, by 9 percentage points in 2015, due to deployments by the incumbent and alternative operators. Ireland has therefore surpassed the EU average of NGA coverage after having caught up in 2014. With regard to mobile broadband coverage, 95% of households were covered by 3G and 90% of households covered by 4G mobile broadband. Take–up of mobile broadband is at 87 per 100 people, above the EU average.

Ireland's National Broadband Plan was published in 2012 and outlines the government's policy on the delivery of high speed broadband services and specifies targets for delivery and roll-out. The state

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[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] https://ec.europa.eu/digital-single-market/en/scoreboard/ireland

[3] Other lagging ahead countries are Belgium, Denmark, Estonia, Finland, UK, Lithuania, Luxemburg and Sweden.

[4] http://www.dcenr.gov.ie/communications/en-ie/Digital-Strategy/Pages/home.aspx

intervention goes under the name 'Connecting Communities' and aims to extend high speed broadband to every premise in areas of Ireland with no planned high speed broadband network by 2020. The plan is principally addressed at rural areas where the quality of telecom infrastructure is not yet adequate, addressing a divide between rural and urban areas in Ireland and a particular situation of a very dispersed rural population that affects coverage in remote areas.

The delivery of the National Broadband Plan will require concerted efforts, not only at central government level, but also at regional and local levels. In order to address digital divide in the sparsely populated areas, the cooperation of local authorities is crucial when it comes to permits and planning requirements so that modern infrastructure can be made available also to those living in all the rural areas. Despite progress to date, the objectives of the National Broadband Plan need to be further supported also by local and roads authorities in terms of their approach towards digital infrastructure in terms of road openings and access to state-owned property. Ireland still has to transpose the Cost Reduction Directive[5] which could help to speed up broadband roll-out.

2 – Human Capital

In Human Capital, Ireland performs relatively well but its recent progress has been limited. Figures on internet usage are somewhat better than the EU average, but Ireland continues to exhibit some digital skills gaps. Despite relatively good levels of access and use, 56 % of the Irish population has low or no digital skills. In addition, Ireland suffers from a deficit of skilled ICT professionals. While this is an EU-wide phenomenon, Ireland is one of the countries particularly affected. In 2015, over 50% of businesses that recruited – or tried to recruit – ICT professionals reported difficulties in doing so, one of the highest rates in Europe.

The Irish government's *National Digital Strategy* focuses on driving digital adoption in three key areas: enterprise (see section 4), citizens and education. In education, the Irish government has invested in bringing 100Mbps connectivity to all secondary schools and developed "Switch On" workshops to optimize the use of technology. The new *Digital Strategy for Schools 2015-2020*[6] sets out a plan to embed ICT in teaching, learning and assessment over the next five years. At the level of higher and further education, the department of education and skills is leading a project to create a network of regional skills fora, building bridges between education and business. Ireland's *ICT Skills Action Plan 2014-2018*[7] was developed and launched in 2014. The plan aims to increase awareness of ICT in the education system, increase high-level graduate supply and to make Ireland the best location in the world for ICT Skills availability. The *BenefIT* programme has led to the training of 137,000 "non-liners" in basic digital literacy. The new *National Skills Strategy*[8] aims to ensure that Ireland's current and future workforce needs are met. See also Springboard+ (box).

The Irish government is actively addressing digital skills gaps in the economy and society. It has developed a digital skills strategy and is tackling digital skills issues all levels and types from basic digital literacy and inclusion, to digital education and learning, through to ICT professional skills in further and higher education and digital skills of adults all levels to improve employability and provide enterprises with the new digital skills they require. While already working to improve the interaction of the various stakeholders through a number of actions and initiatives, establishing a national digital skills coalition could help to facilitate the efficacy of Irish policies in this area.[9]

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[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] https://www.education.ie/en/Publications/Policy-Reports/Digital-Strategy-for-Schools-2015-2020.pdf
[7] http://www.ictireland.ie/Sectors/ICT/ICT.nsf/vPages/Papers_and_Sector_Data~ict-skills-action-plan-2014-14-03-2014?OpenDocument
[8] http://www.education.ie/en/Publications/Policy-Reports/pub_national_skills_strategy_2025.pdf
[9] https://ec.europa.eu/digital-single-market/sites/digital- agenda/files/toolkit_for_national_and_local_coalitions_5.pdf

> **Highlight: "Springboard+"**
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> Springboard+, which incorporates the ICT skills conversion programme, provides flexible, free, part-time higher education and training courses for unemployed and previously self-employed people who require up-skilling or cross-skilling in order to return to sustainable employment. The programme targets areas where there are job opportunities, based on advice from the Expert Group on Future Skills Needs, e.g. ICT, high-end manufacturing, international financial services and skills for entrepreneurship. Enterprise engagement is a key part of the programme – over 90% of courses have a work placement component. To date, almost 11,500 people have taken an ICT course, at levels 6 to 9 on the National Framework of Qualifications. Funding of €63.8 million has been allocated. Trend analysis of all graduates 2011 – 2014 indicates that within two years of completing a Springboard course, 60% of respondents are employed or self-employed, with progression to employment steadily increasing over time. While a survey of ICT skills conversion graduates indicates that 87% of graduates are in employment within 18 months of completing their course. By the end of 2015 the Exchequer had invested some €105 million in Springboard+, enabling over 30,000 people to gain an opportunity to up-skill or reskill in skill areas where there are employment opportunities.

3 - Use of Internet Services

In Use of Internet Services, Ireland is performing on a par with the EU average and has made average progress in the last year, improving its DESI ranking. Almost four fifths of Irish citizens are now online. The most popular online activities amongst Irish internet users are VoD (Video on Demand 68%), Social Networking (66%), online shopping (63%) and online Banking (64%). The use of these services as well as other services, such as news, continues to increase.

4 – Integration of Digital Technologies

In Integration of Digital Technologies by businesses, Ireland performs very well, ranking first on this DESI dimension, and has also made good progress recently, increasing its ranking by two places over the past year. In particular, significant increases in SMEs selling online (32%, +6 percentage points), selling online cross border (16%, +5 percentage points), use of Cloud technologies (21%, +5 percentage points) and use of social media (35%, +4 percentage points) were recorded. Nevertheless there continues to be room for improvement in electronic information sharing and use of RFID.

Together with education and citizen engagement, the Irish government's *National Digital Strategy* focuses on driving digital adoption by enterprises. In particular, it aims to get 2,000 small and micro enterprises trading online. To this end, the *Trading Online Voucher Scheme* provides a small financial incentive, coupled with training and mentoring supports by the Local Enterprise Offices (LEO) to small and micro-enterprises to develop their online trading capability. The training provides insights for owners-managers on how their business can benefit from online trading, with a focus on skills development. Based on government information, by early November 2015, some 1,500 small businesses had completed, or were in the process of completing their trading online projects. 70% of businesses surveyed expected to recruit new staff as a result of increased business and changed work practices.

5 – Digital Public Services

In Digital Public Services, Ireland is performing relatively well but its growth rate is limited. While active eGovernment use at 56% is above the EU average (32%), provision of pre-filled forms in online services is relatively low (35 out of 100), and where Ireland ranks 17th out of 28 countries. However,

Ireland performs relatively well in the EU with respect to online service completion (ranked 9th) and Open Data (ranked 10th), though its ranking in both of these has fallen over last year.

As a result of previous eGovernment strategies, most public services in Ireland are now online, available through the www.gov.ie portal which gives access to more than 430 online and information and transactional services. The Irish government has started issuing Personal Public Service Numbers (PPSN), now mandatory for children at birth, available to adults too on a voluntary basis; this personal identifier can be used to access a wide range of eGovernment services. In June 2015 it launched a new version of the national Open Data portal, which aims to provide a single source of access to official data in an open format, currently comprising 840 datasets.

Ireland does not have a comprehensive digital by default strategy, as according to its eGovernment Strategy 2012-2015, it follows the principle that public services should be delivered through the most appropriate channels. In January 2015, the Irish government adopted and published a new eGovernment strategy, the Public Service ICT Strategy[10]. The strategy identifies 5 key objectives aimed at better sharing and integration of services; continued and improved digitisation of services; facilitating lawful sharing of data; improving governance of ICT; and improving the resource levels and skillsets in Public Service ICT. Aligned with the objectives of the Public Service Reform Plan 2014-2016 and building on previous eGovernment strategies, the new strategy aims to provide better outcomes for citizens, businesses and public servants by embracing the latest technological advances.

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[10] http://ictstrategy.per.gov.ie/