



# EUROCITIES statement on the Digital Single Market Strategy for Europe



For our cities the completion of the Digital Single Market in Europe is vital in order to increase competitiveness, ensure citizens are digitally enabled<sup>1</sup> and to support the development of new and trustworthy public e-services and eGovernment that are accessible to all.

As EUROCITIES, the network of over 130 major European cities, we welcome the Commission's Digital Single Market Strategy and its ambitious, long-term objectives.

## Localising the Digital Single Market

The 21st century will be marked by deepening urbanisation and a growing dependence on fast-advancing Information and Communications Technologies (ICTs). Within Europe, the completion of the Digital Single Market is an important component for achieving the goals of smart, sustainable and inclusive growth. With 75% of Europe's population living in urban areas, city and metropolitan authorities are key players in enabling this process.

Cities have much to contribute to the digital economy. Local and regional authorities have a central role in the creation and management of digital infrastructure, fostering innovation, digital training of citizens as well as the process and implementation of eGovernment. This role should be recognised in all future legislation and actions to be taken to complete the EU Digital Single Market.

## Strategic areas for cities

### Broadband

#### Investment in high-speed broadband infrastructure should be sustainable

Future-proof connectivity is essential for our cities if we are to be smarter and to further strengthen our role as drivers of innovation and the economy. Given the high potential of new technologies to support greater energy efficiency, it is also a key enabler for our ambitions towards a low-carbon economy and fundamental to ensuring access to the growing provision of eGovernment services. Similarly, the next generation of technologies, such as cloud computing and the internet of things, which are critical for the development of smarter cities, require high-speed connectivity. The Commission's objective to review the telecoms regulatory framework should help incentivise

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<sup>1</sup> Finding new mechanisms for engaging and enabling citizens to make the most out of their community

investment in high-speed broadband networks. However when the economic return is not guaranteed, the market does not always ensure investment in these latest technologies.

Investments in broadband must be sustainable - business models should not only take into account the start-up costs but also future costs of potential technological developments. Local and regional authorities need support for investment in high-speed broadband infrastructure.

### **Cities are not 'black areas' by default**

Cities are commonly considered black areas, where broadband services are supplied over at least two competitors. For high-speed broadband such as fibre, which requires significant investment, high population density is no longer a guarantee for private investment. Some urban and sub-urban areas are considered too economically unattractive to be solely covered by private investors. We fear that this will make already deprived urban areas vulnerable to further digital exclusion in the future if the public sector cannot intervene where necessary.

### **Funding opportunities**

Strong investment in broadband is vital to building a future-proof digital economy in Europe. The cut in Connecting Europe Facility funding for broadband investment is disappointing; the new EU investment plan together with structural funds should dedicate adequate funding to broadband infrastructure projects.

### **Building a data economy**

Our city authorities play a leading role in building the European data-driven economy of the future, which has the potential to deliver economic, social and environmental benefits to its citizens and businesses. Together with other stakeholders, we are engaged in delivering new, green and sustainable services, improving liveability, fostering new business, and engaging and empowering citizens. Cloud-based services to gather and monitor real time feedback from sensors, smartphones, energy and water meters also contribute to the process of making our cities smarter.

However, while the (big) data technology and services are developing fast, there are still barriers and challenges to overcome. To enable the data economy to thrive and to create trust in data technologies, the opening up of data must be accompanied by rigorous processes to safeguard privacy and protect personnel data.<sup>2</sup>

Cities face a range of administrative, financial and licensing challenges when opening up public sector data. The EU and national governments can help by establishing a standard European licence model, and developing coordinated national strategies. Funding to support cities in open and big data initiatives should be available through the Connecting Europe Facility and Horizon 2020 programmes.

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<sup>2</sup> For more information please refer to the EUROCITIES statement on Open Data (May 2013): <http://bit.ly/1P33b49>

## Interoperability and open standards

As city authorities, we face barriers when it comes to improving the interoperability and integration of city systems in order to maximise the release, access and usability of data to accelerate growth opportunities, particularly for SMEs. The Commission objective to launch an integrated standardisation plan is an interesting one and we underline the need for cities' involvement in the process of developing such a plan.

The ICT market should adopt open standards to increase competitiveness and support a healthy mix of vendors of all sizes. Open standards enable cities to be agile and flexible in how they develop solutions, boosting digital transformation and leading to innovation and growth. The EU should encourage greater interoperability and openness of the technologies.

## Cyber security

City authorities are increasingly the target of cyber attacks. The failure of information systems can have a considerable impact on the functioning of services such as transport, healthcare and electricity, as well as on the security of citizens.

City authorities need to be involved in the national and EU policy discussions when it comes to enhancing the security of these systems. A failure can have a substantial impact on city systems, affecting the way citizens are able to access services. Local authorities play an important role in increasing public awareness of the risks, as well as in educating and training the necessary workforce.

City authorities require specific technologies and expertise to detect and mitigate threats and must address the organisational change required to implement new programs and systems. Such investments can be costly, particularly during the current period of reduced public budgets in many cities.

The Commission's proposal to establish a public-private partnership on cyber security, in the area of technologies and solutions for online network security, is an interesting initiative and we look forward to contributing to discussions on this from a city perspective.

## An inclusive e-society

Improving digital access and IT skills for citizens leads to improved employability, job creation, social inclusion and helps stimulate our economies. Cities play a role in enhancing digital access and skills through community programmes, apprenticeships and working with local partners<sup>3</sup>.

City authorities are best placed to connect with the local level and its diversity, and to stimulate digital inclusion initiatives for a range of target groups, such as migrants, elderly, disabled, unemployed and young people not in employment, education and training (NEETs). For example, given the growing numbers of elderly people in many of our cities, there is currently a need to provide tailored initiatives to foster their social inclusion and well-being.

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<sup>3</sup> Examples in EURO CITIES: '[Cities supporting inclusion and citizen participation](#)' and '[Closing the digital gap](#)' study visit report.

More EU level initiatives involving local and regional authorities in developing data literacy and digital education for citizens are necessary to help decreasing the digital divide and to stimulate economic growth.

## **Online platforms**

City authorities increasingly use online platform as tools to collaborate and exchange with citizens, while better managing local public services and activities. By giving feedback and ideas on local initiatives or reporting on specific problems, citizens contribute to optimising the quality of city services, reducing the costs for local administrations of their maintenance. Online platforms also serve as strategic tools to foster civic participation, greater transparency and trust as well as to enhance social inclusion. Citizens, contributing to the general well-being of the community, feel more part of it.

However, while many new and diverse online platforms are now in use, they should follow joint standards to provide the option of cross-border federated services. The EU should encourage the adoption of common standards. Critical aspects such as security and integrity must also be taken into consideration.

## **eGovernment**

The DSM communication focuses on user-driven and accessible eGovernment. This makes our cities important partners for the EU in efforts to increase eGovernment interoperability across member state borders but also between different government levels. Many public services are delivered locally; in some member states this share amounts to 70% of all public services. Furthermore, local governments, as the closest to the citizens, benefit from their proximity and are best placed to understand the needs, priorities and challenges of citizens and communities.

With a view to getting the strategy right for the citizens and therefore improving its eventual impact, the Commission should involve cities in the development and the implementation of the new eGovernment Action Plan 2016-2020 and in the discussions related to initiatives such as the 'once-only' principle. EUROCITIES would be happy to work with the Commission to facilitate this involvement.

## **Smarter cities**

The completion of the Digital Single Market will also contribute to strengthening the process of cities becoming smarter. The digitalisation of the economy and society can help reduce costs, increase productivity, create new jobs, improve public services and social inclusion and the overall quality of life for citizens.

Citizens are at the hearth of the smart city process: there can be no smart city without smart citizens. Engaging citizens goes beyond the uptake of technology; it extends to the co-creation of ideas and solutions. This can be stimulated through living labs, tools to integrate citizen input in urban planning, and spaces and support for start-ups.

For our cities becoming smarter is about improving urban life through sustainable integrated solutions and developing good quality services for citizens and business. To do so, an integrated approach is required addressing economic, social and environmental issues. This is about more than just deploying the right technological solutions. It requires joining up policies, working across a wide range of areas including ICT but also urban mobility and energy efficiency.

The Green Digital Charter<sup>4</sup> (GDC) - a EUROCITIES initiative - has proved to be a step forward towards a joined up approach integrating ICT and energy efficiency. Signed by 46 European cities, representing more than 25 million citizens, the charter helps cities network, exchange information, develop smart ICT strategies, and implement projects and smart solutions.

A continued commitment at EU level to support and strengthen initiatives that make Europe's cities smarter is vital.

## Working in partnership

City authorities, as the level closest to the citizens, have vast experience in implementing projects, new technologies and engaging with citizens. The Digital Single Market strategy covers a range of issues with a clear urban dimension and of direct importance for cities.

The extent to which the EU's Digital Single Market in Europe is achieving results will become clear at the local level. There is therefore a clear case as to why cities should be closely involved in the design and implementation of the relevant next steps. We look forward to working with the Commission over the coming months to identify how best to ensure a complete Digital Single Market particularly in relation to eGovernment, smart cities, digital inclusion and skills, broadband investment, interoperability and data.

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<sup>4</sup> <http://www.greendigitalcharter.eu/>