

Digitising European industry

In response to the European Commission's recent efforts to advance the digitalisation of EU industry, the European Parliament's Committee on Industry, Research and Energy (ITRE) drew up an own-initiative report on the subject which is to be debated in plenary in May. The report proposes to develop an integrated strategy aimed at creating conditions conducive to reindustrialising the European economy so that it can fully benefit from opportunities offered by digitalisation.

Background

In April 2016, the Commission announced its '[Digitising European Industry](#)' initiative. The main document adopted in this context was a [communication](#) that sets out a strategy aimed at strengthening the EU's competitiveness in digital technologies and ensuring that all EU industrial sectors can take full advantage of digital innovations. This would be accomplished by, (i) developing a [governance framework](#) for coordinating European, national and regional initiatives through EU-wide dialogue with all actors; (ii) encouraging co-investment in digital innovation hubs (such as EU [public-private partnerships](#), digital competence centres and cluster partnerships); (iii) developing an effective [ICT standardisation](#) environment, mainly by establishing priorities and putting a robust delivery mechanism in place; (iv) providing a future-proof regulatory framework (particularly for [free flow of data and data ownership](#)) and exploring legislative frameworks for autonomous systems, such as drones or driverless cars or the [Internet of Things](#) (IoT); and (v) presenting an [EU skills agenda](#) for improving job-seekers' chances of finding work, by equipping them with the right digital skills. Recent studies estimate that digitisation of products and services will generate €110 billion in annual revenue in the EU over the next five years. The plans should also mobilise up to €50 billion in investment.

ITRE Committee opinion

The Committee on Industry, Research and Energy (ITRE) voted on its [report](#) on developing an integrated industrial digitalisation strategy (IDS) for the EU on 25 April 2017. The report underlines that the IDS is critical in addressing many of the EU's major economic challenges (for example, by strengthening cohesion, job creation and innovation). The report argues that the IDS must be based on: (i) a competitive business environment that promotes private investment; (ii) an appropriate regulatory framework that prevents administrative burdens; (iii) a cutting-edge digital infrastructure; and (iv) an EU coordination structure to ensure a common strategic approach to platforms and initiatives on industrial digitisation. The report welcomes the 2016 communication but regrets its narrow focus on connected and automated driving in the transport sector. The report particularly approves the proposal to establish digital innovation hubs (DIHs) and digital competence centres (CCs). It calls for increased funding for DIHs and for fostering their development at the national level and alongside that of CCs in less digitised regions. Furthermore, the report calls on the Member States to strengthen transnational cooperation among the hubs. The report also sees the need to scale up the European Fund for Strategic Investment (EFSI) and to increase public investment in digital infrastructure and policies. To this end, it also calls on the Commission to set up a finance roundtable for industrial digitisation. Moreover, it particularly supports furthering public and private investment in high-speed connectivity, for example through [5G](#) and fibre optics. The report calls on the Commission to examine various models for advancing cybersecurity, and for public institutions to introduce obligatory cybersecurity requirements when procuring IT equipment and IoT products. It stresses the need for a strong standardisation strategy and an SME-tailored digitalisation drive. Finally, it calls for the implementation of a skills guarantee (a minimum level of digital skills) and for finding ways to ensure citizens' access to (re)training and life-long learning.

Own-initiative report: [2016/2271\(INI\)](#); Committee responsible: ITRE; Rapporteur: Reinhard Bütikofer (Greens/EFA)

