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**"eEurope: An inclusive information society"**

*Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort*

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## Introduction

Ladies and gentlemen,

The new economy and the Internet have been on top of the EU agenda since the Lisbon Summit, in March 2000. EU leaders set a new frontier for Europe: to become the world's most competitive and dynamic knowledge-based economy, with more and better jobs, and greater social cohesion. To reach these goals, the Commission devised a comprehensive strategy: the eEurope 2002 Action Plan.

This was one and a half-year ago. This was the time of the dot.com boom. Few imagined that the fall of new economy stocks would be so sharp.

Is this to say that it is all over? That Lisbon and the eEurope strategy are dead? No. Let me explain why:

- First, because the new economy cannot be reduced to the dot.coms. A growing number of companies of all sizes and sectors take up the Internet, and so do public administrations. So the hype may be over, but this integration of the old and the new economy goes on.
- Second, as this integration progresses, so does the shift towards a networked and knowledge-based economy. It also means an economy and society where an ever-increasing number of individuals get connected and the value of networks grows even in a square. This is a huge asset.

The continued growth of the Internet in European homes illustrates this situation: the EU average was 36% in June up from 28% last October. Close to half the EU population has had some experience with the Internet and the percentage of regular users is approaching 40%. (Germany is about this average EU level).

There is a major role for government in this context. Stock markets follow quarterly figures; public policies must always have a long-term vision, clear objectives, and constancy. This does not only concern economy: more pressing challenges require vision and courage.

Government policy must pave the way towards an inclusive information society. Here are the priorities of our actions:

- First, continue to democratise access to new communication services by completing telecoms liberalisation to drive prices further down.
- Second, cater for the need for security and confidence in cyberspace of users and businesses alike.
- Third, promote content, which is essential for the development of mobiles and broadband services in the context of convergence.
- Fourth, bridge the digital divide by giving skills to all.
- Fifth, associate our neighbours to the eEurope process with a view to enlargement.

## **1. Completing telecoms liberalisation**

From the outset, EU telecoms policy had one key objective: to provide high quality services at low prices to European citizens.

Thanks to liberalisation, telecoms services became the fastest growing sector of the European economy. Competition keeps intensifying, leading to lower prices, more choice, better quality of service and innovation.

The last bottleneck was removed at the beginning of this year with the unbundling of the local loop (sogenannte "letzte Meile"). This means that new entrants in the telecoms market can use the local network of the incumbent operator under fair conditions, to propose their own services. This is a vital step for the development of broadband Internet based on ADSL. The unbundling process isn't yet completed in all EU countries, but we already see increased competition in flat-fee, high-speed Internet.

We have achieved a lot, but much remains to be done to create a level-playing field for all competitors. Indeed, the EU telecoms market remains fragmented along national lines. This is particularly the case regarding mobiles, as was illustrated by incoherence in the licensing process for third-generation mobile services.

The success of mobile phones in Europe is striking. In less than a decade, mobiles have conquered 70% of the EU population and the penetration rate keeps growing. This is the fastest take-up of a new technology ever. Mobiles have really become part of our daily life and our culture.

This is a very strong European asset. We must build on this technological and industrial success to extend Europe's leadership to the next generation of mobile communications.

The transition to UMTS, the third-generation mobile system (3G) with full multimedia capability, is a major challenge. I personally remain confident that the possibility to connect anyone, anywhere, anytime will be a compelling goal for an inclusive Information society. What we need to do now is to facilitate deployment through network sharing and other measures, and encourage the development of content for new mobile services.

And one can already start looking beyond 3G: first, by ensuring greater coherence in the licensing process in the future; and second, by a high level of research into the development of future mobile systems.

Another major challenge is to adapt telecoms regulation to the Internet-driven convergence between telecoms, computers and the media. A new regulatory package for electronic communications, which updates the existing telecoms framework, has been tabled last year to this end. It is to enter into force towards the end of 2002.

## **2. Security and confidence building**

Competition alone will not be enough to ensure widespread Internet take-up in Europe, whether at home or on the move. It must be complemented by a high level of security and privacy on the Internet.

Users need to feel safe. This is not the case right now. A growing number of users experience security and privacy problems. Between October 2000 and last June, unsolicited e-mails have almost tripled and virus attacks doubled.

The EU has already taken several key measures regarding security and privacy:

- It has fully liberalised the trade of encryption technologies between Member States. These are key to securing confidentiality.
- It has adopted legislation to ensure the lawfulness and mutual recognition of electronic signatures between EU countries. These are key to securing the integrity and authentication of electronic data.
- Legislation has been adopted to protect personal data. It grants individuals the right to access and correct their personal data, and to opt out from their use for direct marketing. For sensitive data, such as race and religion, explicit consent is required.
- A proposed piece of legislation aims to secure the confidentiality of communications and prior consent (or opt-in) to receive unsolicited commercial communications (spamming).

However, more needs to be done. Networks have become critical for the proper functioning of our societies and economies.

Therefore, the Commission has recently published a Communication on network and information security. The aim is to table a comprehensive strategy before the end of the year. We need:

- to raise awareness: public information and education campaigns should be launched and best practices should be promoted; and
- to create European warning and information system in order to strengthen the activities of Computer Emergency Response Teams or similar entities, and improve the co-ordination amongst them.

## **3. Content**

Now, assume we have genuine and fair competition, and a high level of security. This is still not enough to ensure the long-term development of the Internet. You don't sell a service simply because it's cheap and safe. What the consumer is interested in, is what's 'in' the box.

The convergence process puts distinct distribution platforms in direct competition with one another; but the average end-user is not interested in the delivery method. What's matter to her or him is what is delivered.

The real battle is only starting: it is the fight for eyeballs. It is clear that Internet surfing will compete with TV viewing, active media will compete with passive media. For instance, elements of interactivity are being integrated in the TV watching experience, and streaming media is developing on the Web.

But differentiation will remain. If you need to be connected 24 hours a day, a mobile solution may be what you need. But if you want to watch a movie, the display of your mobile phone will not be up the job. The TV set is very likely to be the preferred option. But if you then want to surf on the archives of the world, then you will log on to your computer.

Platforms are competing with each other, but they are also complementary.

Attracting people to these different platforms will depend on the services offered: services are what make the user tick, and the thrill is in the content. If we want an information society for all, content must be rich, diversified, in all languages and it must meet specific cultural demands.

This is key to the rapid development of the mobile Internet, where people will be charged payments for services used.

Government is a main player in this context. It owns a considerable quantity of high quality content linked to Europe's formidable cultural heritage. Access to this public content, digitisation of this public content, is of course an important task for EU governments.

Government is also a major driver of Internet uptake through the offer of high-quality on-line services. Much progress has already been achieved regarding the use of the Internet by governments. In particular, access to public documents and legislation is improving. This is good for openness and transparency. But it is only a first step.

What is still missing is real interactivity, which is the essence of the Net. Once we have true interactivity, a major reform of public services will become possible. Responsiveness, citizen-friendliness and quality of service will become new standards for public services.

eGovernment is a huge win-win opportunity. Making sure that public services and citizens draw its full benefits, is the object of a major conference that will be held at the end of November.

#### **4. Digital inclusion**

So, liberalisation drives prices down, security ensures trust, content trigger the user's interest. What is still missing is that people – all people – have the ability to use the Internet, and also the opportunity to do so.

This is not the case right now. Socio-demographic characteristics continue to have considerable impact on Internet take-up by individuals. The main causes of digital exclusion are: gender, old age, a low education level and living in a rural area.

Fighting digital exclusion starts at school. Schools must provide all young Europeans with the essential digital skills they need to live and work in the digital age. We will probably reach the target of having all schools on-line by the end of the year: indeed, we were already at 90% last May. (Here Germany is approaching 100% very soon.)

But connecting the schools is not enough: pupils need to be able to use the Internet in all schools, in good conditions. This means pupil access in all schools, recent computers in sufficient numbers, and high-speed Internet connections. And of course, teachers need to be trained and curricula adapted. A lot remains to be done in this respect.

From schools we must move upwards, and ensure the employability of people already on the job market. Many of them need to adapt their skills or acquire new ones. Nobody is too old to learn and digital technologies can facilitate the learning process.

This calls for the promotion of life-long learning for all Europeans, using the Internet.

But the skill issue doesn't stop at ICT. Soon, we will be in a situation where 'everybody' needs at least a minimum level of digital skills.

Then we need targeted measures in direction of groups, which are, or risk being, excluded from the digital age. Social inclusion is a duty of welfare state, but it is also an economic imperative:

We have to mend the social gap. There is a risk of perpetuating, and even reinforcing, existing social discrepancies. The multiplication of public access points will help achieving access for all.

The European demographics, especially the ageing of population, speak for actions to support social inclusion and independent living through assistance of information technologies.

The Commission has taken the initiative to promote the « design for all » - principle and accompanying standards to improve accessibility. Networking national centres of excellence in design for all and creating a European curriculum for designers and engineers are on the agenda.

A very recent step in this direction is the adoption of the « Web Accessibility Initiative » Guidelines. The main objective is to improve Internet usage for disabled citizens. On the one hand, the European Commission has been actively engaged in improving the accessibility of its own Web-based services. On the other hand, it encourages other institutions to promote these guidelines. Germany, for example, is about to take up these guidelines, at federal and Länder-level. There should also be a major initiative on overall accessibility of both public and private Web sites during the year 2003, the European Year of Disabled People.

- Modern technology provides **us** with new, more user-friendly opportunities, when the design for all-principle is implemented.
- This, however, requires that we invest in developing adequate technologies.

## **5. European inclusion**

So far I have been talking as if the composition of the EU was not going to change. But it will change, very soon. Beyond social inclusion, we must also fully integrate the rest of the European family: all the candidate countries that will soon join the EU.

At the Göteborg Summit in June this year, Heads of government of the candidate countries launched the eEurope+ Action Plan. By doing that, they committed themselves to embrace the challenges of the information society. They also agreed to share the EU's strong political objectives.

Indeed, as the name suggests, the eEurope+ Action Plan is largely inspired by our own eEurope Action Plan. But it is adapted to the particular needs of the candidate countries. It intends, in particular, to accelerate reform and modernisation of the economies and administrations of the candidate countries. eEurope+ also underlines that there is a basic need to ensure that all citizens are offered the possibility to access affordable communications services.

## **6. Global inclusion**

From the very outset, Internet is a global network without borders. Beyond European inclusion Internet can also help developing countries to “plug-into” the world economy and bring much-needed information and resources to their people.

We have seen rapid expansion of Internet use in Asia and in South America, and there are many digital success stories in the developing world.

Yet there are still far too large variations in access to the Internet particularly between the rich and the poor – or between the « have-nets » and « have-nots »: the so-called “digital divide” at a global level.

Internet use still only reflects less than 5 per cent of the world’s population.

I agree with those who say that « we have got to be sure that the technology will make a real difference to people’s lives, and that can happen only if content and software and - of course language - are relevant to the individual culture and circumstances of developing countries ».

## **Conclusion**

In conclusion, the information society is and will remain a top priority for the EU. The spread of the Internet across Europe is in everybody’s interest. It can foster economic growth, provide jobs, connect remote places to urban centres and increase the standard of living.

We need new technologies in global inclusion, to make the world a better place for all. This is the challenge. We must remain focused and keep the sense of urgency.

Thank you for your attention.