

## **Joint Oireachtas Committee on Enterprise, Trade and Employment, 26 June 2024**

### **Discussion on Ireland's National Strategic Roadmap for the EU Digital Decade Policy Programme,**

#### **Opening Statement by Ms Jean Carberry, Assistant Secretary General, Department of Enterprise, Trade and Employment**

Thank you to the Cathaoirleach and members of the Joint Committee for the invitation to join you today to discuss the EU Digital Decade Policy Programme and Ireland's National Strategic Roadmap. My name is Ms Jean Carberry and I head DETE's digital, EU and climate division. I am joined by Ms Ciara Bartley from the same division.

My division in DETE is responsible for coordination of Ireland's response to the Digital Decade, in addition to the digitalisation of enterprise aspects. My division also has a very significant role in the implementation of EU digital regulation. This includes two landmark pieces of legislation on platforms- the Digital Services Act and Digital Markets Act - which entered into force earlier this year. We are now preparing the ground for implementation of the Data Act and the AI Act.

The timing of today's discussion is fortuitous, as today the European Commission has published the second annual Report on the State of the Digital Decade. This is essentially a scorecard and analysis of the EU and its Member States' progress on reaching the collective Digital Decade goals. It follows publication of the first annual report on 29 September 2023, 9 months ago, and the submission of the National Strategic Roadmaps, the subject of today's discussion.

Allow me first to provide some background on the Digital Decade before discussing the National Strategic Roadmap, the DESI index, and DETE's role in these.

#### **The Digital Decade Policy Programme**

The State of the Digital Decade Report is published today under the framework of the Digital Decade Policy Programme (DDPP), based on a [Decision](#)<sup>1</sup>, that established cooperation structures between the Commission (DG CONNECT) and Member States to support achievement of 12 shared objectives by 2030 around the four cardinal points of the digital compass: skills, government, infrastructure and business as set out in the 2021 [Digital Compass Communication](#)<sup>2</sup>. The Department of Enterprise, Trade and Employment, has a coordinating and reporting function on behalf of Ireland, and also leads on the digitalisation of enterprise quadrant, which will be the main focus of today's discussion. The Department of Environment, Climate and Communications, the Department of Further and Higher Education, Research, Innovation and Science and the Department of Public Expenditure, NDP Delivery and Reform (through the OGCI) lead on the other three points of the digital compass: skills, government and infrastructure.

A governance structure has been established by DG CONNECT to support the achievement of the digital decade objectives. The Digital Decade Board is serviced by DETE and sub-committees are serviced by various departments as relevant. Bi-annual meetings of the Digital Decade Board take place at senior level bringing together the EU27 and the Commission, and there are frequent sub-committee meetings to examine some of the technical areas and the work on European Digital Innovation Consortia (EDICs). EDICs are a legal mechanism created under the Digital Decade to allow Member States to collaborate on large digital projects, including pooling national and EU funding.

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<sup>1</sup> Decision (EU) 2022/2481 establishing the Digital Decade Policy Programme 2023

<sup>2</sup> Communication on the 2030 Digital Compass: the European Way for the Digital Decade, COM(2021)118 final

## **The National Strategic Roadmap**

Ireland's National Strategic Roadmap was submitted to the European Commission in November 2023, following publication of the first Report on the State of the Digital Decade in September 2023. The purpose of the roadmap is to provide national projected trajectories towards each of the digital decade targets and the broader objectives. It describes all the instruments (policies, measures and actions) planned, adopted or implemented that contribute to their achievement. The purpose is to foster consistency and coordination across national and EU levels, and to drive forward collective achievement of the goals.

The Roadmap covers the 12 Digital Decade targets to be reached by 2030. These are:

- On skills: 20 million ICT specialists and 80% of the population having basic digital skills.
- On digitalisation of enterprise: 75% take up of cloud, AI or big data; doubling the number of unicorns; and at least 90% of SMEs reaching basic digital intensity.
- On infrastructure: universal gigabit connectivity; doubling the EU share in global production of semiconductors to 20%; 10,000 green and secure edge nodes; and the first computer with quantum acceleration.
- And on digital government: 100% of key public services online; 100% of citizens having access to health records online; and 100% citizens have access to digital ID.

The scope of the Roadmap reflects the breath of objectives in the Digital Decade decision. In addition to the 12 targets, wider digital policies in support of these are also included, for example: addressing the digital divide; fostering the start-up ecosystem; an effective digital regulatory environment; improving cybersecurity and energy- and resource-efficiency.

Preparation of Ireland's Roadmap required extensive collaboration and cooperation by officials across several departments. Member States are required to submit an updated Roadmap every two years. It is therefore an interactive process, and one for which stakeholder engagement, including with Oireachtas members here today, is essential.

## **2024 Report on the State of the Digital Decade**

The second annual Report on the State of the Digital Decade, which includes the Digital Economy and Society Index, (known as the DESI) is due for publication by the European Commission today, 26 June. This package includes the 2024 DESI, the 2024 State of the Digital Decade Report, a Country Report for each Member State, EU-wide recommendations and country-specific recommendations, and an analysis of the National Strategic Roadmaps.

A draft copy of Ireland's Country Report was shared by the Commission. I have not yet been able to review the final report published today in detail, however, it is clear that Ireland is taking very positive steps across many of the areas it covers. We have ambitious national strategies in place on across the spectrum of digital policy areas – our national digital strategy 'Harnessing Digital' is closely aligned to the digital decade framework. We have strategies, programmes and initiatives in place across the broad spectrum of digital policy areas – including our National AI Strategy 'Here for Good', the National Broadband Plan; Quantum 2030, on quantum computing, and the recently-published 'Digital for Care: A Digital Health Framework for Ireland 2024-2030', to name just a few.

## **Digital Economy and Society Index (DESI)**

The DESI, the Digital Economy and Society Index is another element of the Digital Decade Report. Since the Digital Decade Policy Programme (DDPP) took effect in 2022, the DESI no longer provides an overall ranking of EU MS. In the last ranking, [DESI 2022](#), Ireland ranked in 5<sup>th</sup> place in the EU. Since 2023,

rankings are presented across each of the indicators, which loosely correspond to the 12 targets aligned to the four cardinal points of the Digital Compass (skills, infrastructure, business, government).

In the 2023 DESI, Ireland performed very well, and the 2023 Country Report documented Ireland's capacity to contribute positively to the EU 2030 targets. The 2024 results, published today, show that Ireland continues to perform very strongly overall. Ireland is among the leaders on digital skills, ranking 3<sup>rd</sup> for basic digital skills, above basic digital skills, and ICT graduates, and 4<sup>th</sup> for basic digital content creation skills. On digital connectivity we are among the top 10 on a range of metric relating to broadband, fibre, mobile broadband, and gigabit connectivity. On digitalisation of business, we are 1st on e-Commerce turnover; 5th on SMEs selling online; 5th on the number of unicorns. On digital government we rank 2<sup>nd</sup> on digital public services for business, 5<sup>th</sup> for mobile friendliness and 6<sup>th</sup> for eGovernment users.

However, the 2024 results show there are also a number of areas where we perform less well relative to our peers. On connectivity we rank 18<sup>th</sup> on overall 5G coverage and 5G spectrum. On digitalisation of business, we could do better on electronic information sharing (22<sup>nd</sup>); use of eInvoices (15<sup>th</sup>); use of social media (13<sup>th</sup>) and use of AI (12<sup>th</sup>). On digital public services, our weak areas are access to e-health records (27<sup>th</sup>) and pre-filled forms (19<sup>th</sup>). It should be noted that there is a time lag in the reporting for some indicators. For others, the indicators change from year to year, making it difficult to do a precise comparison of year-on-year results. However, all indicators used are uniform across the EU27.

### **Digitalisation of Enterprise**

My Department leads on the Digitalisation of Enterprise where we are conscious of efforts to close the gap in the two speed digital economy. A number of measures were recently announced by Government as part of the SME Package that broaden and increase the digitalisation supports available in particular to SMEs and microenterprises where digitalisation can be particularly challenging. These include:

- Doubling the Innovation Grant Scheme from €5,000 to €10,000. This Scheme is offered by Enterprise Ireland and also available to LEO clients, and can be used to develop a new product, process or service, training in innovation management, or to conduct an innovation or technology audit.
- Widening the eligibility for the Trading Online Voucher, extending it to all sectors up to 50 employees, modernising eligible expenditure and doubling the grant to €5,000. This will be renamed the Grow Digital Voucher, and its use can cover a number of the areas measured in DESI, subject to DPENDR approval.
- Widening the eligibility for the Digital for Business Consultancy Scheme and extending it to all sectors with up to 50 employees.
- Launching the new online [National Enterprise Hub](#) for SMEs to access information on the wide range of Government business supports, which includes a phone helpline run by EI with dedicated staff to help businesses to identify relevant supports.
- In addition, the Grow Digital Portal, targeted mainly at microenterprises and potential LEO clients, will allow companies to assess their digital maturity and present the benefits of digitalisation.

Officials in DETE and across the other relevant departments will be digesting the State of the Digital Report and the Ireland Country Report and the DESI results published today. We will seek to address any gaps identified in future policies and initiatives. The next update of the Roadmap is due for submission in 2025.

I am happy to answer any questions the Committee may have. Thank you.