



**European Committee
of the Regions**

CoR-EC Broadband Platform meeting on Digital Cohesion Towards closing the digital divides in the European Union

6-5-2022 | Digital policy and connectivity; Digital agenda

Speech by Prof. Gaetano Armao

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Dear Chair, Dear Michael,

Dear members of the Broadband Platform,

Dear representatives of the European Commission,

I am very pleased to take the floor as Rapporteur on Digital Cohesion.

Thank you for inviting me to this meeting. I would have liked to have been present in the room with you in Brussels and see some familiar faces!

One of the key priorities of the European Committee of the Regions is Digital Cohesion. In the 2020 EU Annual Local and Regional Barometer report, the CoR highlighted digital cohesion as a key anchor in creating inclusive societies in the EU: "**Digital cohesion**" is an important additional dimension of the traditional concept of economic, social and territorial cohesion defined in the EU Treaty.

"**Digital divide**" is a term that refers to "*different levels of access and use of information and communication technologies and, more specifically, to the gaps in access and use of Internet-based digital services*".

Now colleagues, the 2021 EU Annual Local and Regional Barometer shows how the existing digital divides are not diminishing, but, on the contrary, growing along the following key components of digital transformation in the EU.

- 1) In the area of connectivity and digital infrastructure, insular NE rural areas are still lagging behind in terms of Next Generation



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Access coverage and the total coverage of households with high capacity networks.

- 2) Data on the level of basic digital skills is not available at local and regional level. Instead, a proxy indicator of individuals' ability to use the internet daily has been used. The data thus show that while in some Western EU Member States the urban-rural digital gap is being closed in terms of digital skills.
- 3) As regards digitalisation of public services, the gap between individuals living in cities and those in urban areas even increased from 2019 to 2020. The acceleration of digitalisation during the COVID-19 pandemic does not guarantee improved access and use of e-services.
- 4) The digital transformation of businesses measured through the number of unicorns located in the EU shows that there are 126 unicorns mapped in the EU and these are largely concentrated in the continental part of Europe and in capital regions.

The 8th Cohesion Report, shares some of the findings we have identified in our last year's study:

- there is also a significant divide in broadband connection speeds between cities and rural areas;
- there are significant differences when it comes to digital skills, too: there is a clear divide across countries (between more and less developed) and between rural and urban areas.
- We need to bear in mind that digital cohesion is not only about the access to digital technologies, but also about the actual capacity to use them.

Crucial questions are raised in the Report, such as the role of the cohesion policy as the driving force of Europe's "convergence machine" and how, fundamentally, cohesion policy can support the green and digital transitions which are at the centre of policy making fit for today's societal, environmental and economic demands.

However, there are nuances here. The regional and city perspectives on innovation gaps, generational gaps, territorial gaps and income gaps are a must. These divides are holding Europe back! I have said for years now that



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success digital transformation is key for territorial cohesion. They are two sides of the same coin.

Sicily, of which I am Vice President and Regional Minister for Economy and Cohesion, has always been a central trading point in the Mediterranean and we want, and have the know-how, to position ourselves in prime position to seize the economy and society of tomorrow.

Four years ago, in March 2018, the Sicilian Government approved the Sicily Digital Agenda, effectively kicking off the digital transition on the island. Since then, Sicily accelerated the spending of European funds entrusted for digital. As of February 2022, the initiatives financed by the Sicilian Government with European resources from the Digital Agenda see an advancement of over 93%, exceeding that of the most developed European regions.

The data provided by Infratel, an in-house company of the Italian Ministry for Economic Development, see the island among the first large Italian regions for the percentage of municipalities tested positively (60%) and, in absolute terms, second (behind Abruzzo) for a percentage point.

Sicily has invested over 300 million euros for digital infrastructure over the last three years and has become the most digitally infrastructured region in the Mediterranean, having achieved the full use of European resources and applying for a strengthening of investments in the programming 21-27.

To consolidate the results obtained in the digital transition from the point of view of territorial cohesion, it is now necessary to work on the causes that continue to keep the social and economic gap high, working on the level of contrasting the disadvantages deriving from the condition of insularity. Now, we must reaffirm the principle and fine-tune the meaning of territorial cohesion, provided for in Article 174 of the TFEU.

Therefore, I want to emphasize the progressive centrality assumed by the issues related to insularity in the Italian and European political agenda, thanks to the initiatives taken at the regional level. It should be noted that the legislative process of recognition of insularity, started in Italy thanks to the contribution in particular of the Sicilian Region and the Autonomous Region of Sardinia, is also seeing the European Parliament committed, thanks to the determination of the President of the REGI Commission Hon. Younous Omarjee.



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With the "*Estimation of the Costs of Insularity*", a study on the costs of the phenomenon, the Sicilian Region has created a best practice: this study has in fact become a reference point not only on the national level but also at the European level.

The path towards recognizing the insularity sees among its leaders the major Italian islands endowed with legislative autonomy: Sicily and Sardinia. This condition is found in the context of economic, social, and territorial cohesion, governed by primary European law, its explicit basis regarding the internal system, despite the deletion of the reference to the islands of art. 119 of the Italian Constitution, made in 2001, is increasingly recognized in the most recent legislation and constitutional jurisprudence. Under this aspect can not be doubted that the reintroduction of a specific reference to the condition of insularity in the Constitution assumes a significant meaning, allowing to immediately identify the island communities among those realities that require particular interventions without the need for an assessment to be made case by case.

A more comprehensive legislative recognition cannot disregard a European level: the art. 174 TFEU and following, together with the renovated art. 119 Constitution, must be addressed through specific rebalancing measures such as territorial continuity, development taxation, incentives and actions to support development, equal infrastructure, aid schemes, etc.

It is not only a matter of reversing principles now confirmed by European and domestic law but of facing up, in concrete terms, to guarantee the substantial equality of citizens and equal treatment in the effective enjoyment of social rights in situations of gap and to the "costs of insularity" through measures of significant rebalancing on a legislative and economic level.

So, dear colleagues, a public debate on how to close the innovation and digital gap is necessary but should be focused on achieving a clear understanding of the 'Digital Cohesion' concept, which calls for the recognition of the essential role that technology plays in our life, and requires the integration of the Cohesion objectives (set out in the EU Treaty) in the digital rights, principles and policies of the Union.

Colleagues, let's not underestimate where our work is leading us.

I see in the DRAFT PROPOSALS OF THE CONFERENCE ON THE FUTURE OF EUROPE, one proposal is to: promoting digital cohesion to



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contribute to economic, social and territorial cohesion as defined in the Treaty on the Functioning of the European Union.

We had already introduced into the CoR resolution on the contribution of the local and regional authorities to the Conference on the Future of Europe, about the digital cohesion aspect and its introduction as an important additional dimension of the traditional concept of economic, social and territorial cohesion into the EU Treaty.

The works on our opinion are well underway by having an exchange of views in the ECON and COTER commissions and also by conducting a research, a Foresight study, on Digital cohesion.

I know the contractors will speak about their research in the next agenda item!

Thank you once again for having invited me to this debate and I am looking forward to receiving any input the Broadband Platform members might have.