



Second report on the State of the Digital Decade calls for strengthened collective action to propel the EU's digital transformation

Brussels, 2 July 2024

Today, the Commission has published the second report on the State of the Digital Decade, providing a comprehensive overview of the progress made in the quest to achieve the digital objectives and targets set for 2030 by the [Digital Decade Policy Programme](#) (DDPP). This year, for the first time, the report is accompanied by an analysis of the **national Digital Decade [strategic roadmaps](#)** presented by Member States, detailing the planned national measures, actions and funding to contribute to the EU's digital transformation.

The Commission's analysis shows that, in the current scenario, the collective efforts of Member States will fall short of the EU's level of ambition. The identified gaps include the need for additional investments, both at EU and national levels, in particular in the areas of **digital skills, high-quality connectivity, uptake of Artificial Intelligence (AI) and data analytics by enterprises, semiconductor production and start-up ecosystems**.

Both the EU and Member States have an important role to play in enforcing the new legal framework, take action to foster the dissemination of digital technologies and ensure its citizens are equipped with adequate digital skills to fully benefit from the digital transformation. That is why this year's report is a **call for strengthened action** to Member States to be more ambitious, as achieving the Digital Decade goals in **digital infrastructure, businesses, skills and public services** is critical for the **EU's future economic prosperity and societal cohesion**.

In this context, the Commission also updated **country-specific and cross-cutting recommendations for every EU Member State** to address the identified gaps.

A competitive, sovereign, and resilient EU: digital infrastructure and businesses

Adopting and developing innovative technologies is crucial for Europe's competitiveness, particularly in the current **geopolitical landscape and due to increasing cybersecurity threats**, demanding enhanced resilience and robust security measures.

The report highlights that the EU is **far from achieving the connectivity targets** set by the DDPP: Fibre networks, critical for delivering gigabit connectivity and enabling the take-up of cutting-edge technologies such as AI, cloud, and the Internet of Things (IoT), only reach 64% of households. High-quality 5G networks today only reach 50% of the EU's territory and their performance is still insufficient to deliver advanced 5G services. To address these challenges, Member States and the Commission should work together to foster a **truly functional Digital Single Market**.

In 2023, the uptake of AI, cloud and/or big data by European companies was also well below the Digital Decade target of 75%. Under current trends, only 64% of businesses will use cloud, 50% big data and only 17% AI by 2030. To achieve the digitalisation of the business sector, it is paramount to **incentivise the take-up of innovative digital tools by SMEs**, in particular cloud and AI, as well as **mobilise further private investments** in high-growth startups. This is crucial to maintain Europe's competitiveness with regards to data-driven innovation, efficiency, and growth.

Another major challenge faced in the EU's digital transformation remains the limited spread of digital technologies beyond large cities. To tackle this **digital divide**, it is fundamental to **foster cooperation** between European actors at cross-border and local level, for example through Multi-Country Projects, [European Digital Innovation Hubs](#) (EDIHs) and [European Digital Infrastructure Consortia](#) (EDICs). A series of successes have been achieved since last year in this regard, with three EDICs established by the end of May 2024.

A digital policy for people and society: digital skills and public services

Putting people at the centre of the digital transformation of our societies and economies is at the core of the Digital Decade and the first principle of the [Declaration on Digital Rights and Principles](#).

At present, the digital skills targets set by the Digital Decade are still far from being achieved, with only 55.6% of the EU population having at least basic digital skills. According to the current trend, the number of ICT specialists in the EU will be around 12 million in 2030, with a persisting gender imbalance. To reach the targets, Member States should follow a **multi-faceted approach to foster digital skills** at all levels of education, and incentivise young people, particularly girls, to take interest in Science, Technology, Engineering, and Mathematic (STEM) disciplines.

Member States are progressing towards the target of making **all key public services** and **electronic health records** accessible to citizens and businesses online, as well as providing them with a **secure electronic identification** (eID). Despite uneven take-up across Member States, eID is currently available to 93% of the EU population and the [EU Digital Identity Wallet](#) is expected to incentivise its use. However, in a business-as-usual scenario, achieving 100% of digital public services for citizens and business by 2030 remains challenging.

Next Steps

Member States will now have to review and adjust their national roadmaps to align with the ambition of the Digital Decade Policy Programme before 2 December 2024. As set out in the DDPP, the Commission will monitor and assess the implementation of these recommendations and report on the progress made in the next State of the Digital Decade report, in 2025.

Background

Proposed in September 2021, the [Path to the Digital Decade](#) sets a clear way forward to achieve the digital transformation in the European Union. In December 2022, the [European Declaration on Digital Rights and Principles](#) complemented it by establishing the principles and commitments the EU's digital transformation should follow. The [first State of the Digital Decade report](#) was published in September 2023.

This year's report is accompanied by a comprehensive package of staff working documents, reports, and studies, further presenting the progress in the different dimensions of the DDPP. The Commission's Joint Research Centre (JRC) also contributed to this monitoring exercise, providing the [methodology to aggregate national digital targets at EU level](#) and mapping the [amount of investment from EU funding instruments](#) that goes to initiatives that have a digital component.

During the current mandate, the EU has taken significant action to advance on the targets and objectives of the Digital Decade. With the proposal and adoption of **key legislations**, it has actively promoted a **safer online space for European citizens** and **fostered consumer protection**, while safeguarding the innovation potential of European companies. Significant **EU funding** has also been made available to foster the digital transformation, in particular through the Recovery and Resilience Facility (EUR 150 billion), DIGITAL Europe (EUR 7.9 billion), and Connecting Europe Facility 2 Digital (EUR 1.7 billion).

For More Information

[2024 State of the Digital Decade report](#)

[Factpage on the State of the Digital Decade](#)

[Factpages on the Digital Decade country reports](#)

[Eurobarometer on the State of the Digital Decade 2024](#)

[Europe's Digital Decade](#)

[Declaration on Digital Rights and Principles](#)

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Quotes:

"Today's report clearly shows that we are not on track to reach our targets on the digital transformation in Europe. But it also indicates a clear way forward: we need additional investments in digital skills, high-quality connectivity, and uptake of Artificial Intelligence. We need to incentivise the use of digital tools. We need many more people to get digital skills – both basic and expert level – to leverage our strengths. And we need to foster cooperation and better integrate our single market to really enable the digital transformation across Europe."

Margrethe Vestager, Executive Vice-President for a Europe Fit for the Digital Age - 02/07/2024

"We are building a more competitive Europe, which leverages its competitive edge and asserts itself in the global technology race. Today's State of the Digital Decade report clearly identifies the areas where our collective action has to accelerate to achieve this result and meet the Digital Decade targets by 2030. Investments, cross border cooperation, completing the Digital Single market, boosting take up of key technologies such as AI: this is the recipe of success that is at the essence of the recommendations that we issue today to Member States."

Thierry Breton, Commissioner for Internal Market - 02/07/2024

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