

Local and regional authorities: enablers or bystanders in the Digital Single Market



**LOCAL AND REGIONAL AUTHORITIES:
ENABLERS OR BYSTANDERS IN THE
DIGITAL SINGLE MARKET**

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Bucharest, April 2019

Policy Briefs Series, No. 6

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Abstract: The European Union has been focusing recently on big-ticket items meant to strengthen the supranational level. From the stage of proposals, as the proposal for a European army corps, to a new cybersecurity framework, the focus is on strengthening the EU-wide rules and regulations. The Digital Single Market is yet another example of an overreaching strategy meant to advance the single digital space, in a similar fashion to the reforms of the 1980s related to the completion of the Internal Market.

The strategy concentrates on citizens, especially in the first pillar, but it is mostly to an indirect degree, while the accent is on building the greater regulation framework. The argument of this policy brief is that the EU must bring its digital initiatives closer to the citizen with the help of updated policy initiatives.

Based on a multi-level governance outlook, this policy brief assesses the presence of Local and Regional Authorities (LRAs) within the overall Digital Single Market strategy. Cities or regions are the closest administrative unit to the citizen and they must be better involved to deliver the benefits of digitalization directly to the citizen. The WIFI4EU programme is a good example of communication directly between the EU and cities, but more must be done to deliver digital policies more locally.

Keywords: *Digital Single Market, local and regional authorities, digital transformation*

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Introduction

What is the European citizen's contact to the Digital Single Market (DSM)? A short brainstorming might reveal the following:

- Privacy policy statements regarding collection of online user data and, of course, consent forms
- The possibility to “roam like home” – with some exceptions¹
- The ability to use their platform subscriptions abroad – Netflix, Spotify, etc.
- Elimination of geo-blocking

The focus of these possibilities is on crafting the DSM as a European space, whose main feature is the fact that it is borderless. Echoing the programme that completed the Internal Market of the 1980s, the DSM strategy aims at building a uniform regulatory framework for the digital space, while maintaining the delicate balance of remaining within EU competences. The driver behind this initiative? Undoubtedly, we must emphasize the potential for economic growth that digitalization and digital transformation in general bring to the European economy. These initiatives focus on the potential for a single European space framed by a truly European framework.

Gradually, these initiatives have come closer to the citizens by changing their interaction with the digital space. Indeed, there is no debate on whether the current pieces of legislation being implemented – roaming, data protection, removal of geo-blocking – have had an impact on citizens or not. However, they have indeed improved their quality of being European citizens rather than citizens of a city/region – as they are able to access their online content abroad or their data is protected under the same set of rules across the EU. Their daily life takes place at a local/regional level and they must benefit from digital Europe also there.

The issue appears as these improvements must be doubled by a more targeted effort to pursue digital Europe at a sub-national level. Cities or regions are the closest administrative units to the citizen and they must be better involved to deliver the benefits of digitalization directly to the citizen. The WIFI4EU programme is a good example of communication directly between the EU and cities, but more must be done to deliver digital policies more locally.

Hence, this policy brief aims to analyse the connection between the Digital Single Market and the local/regional levels to explore whether there are ways to bring it closer to the citizens. It does this by providing an overview of the governance of the DSM Strategy of 2015 and analysing its relation and commitments towards the local/regional authorities. Moreover, the Committee of the Regions has approached several ways in which the DSM may be translated at the local level and they will be emphasized in this policy brief. Finally, based on these analyses, this document will deliver a series of recommendations.

¹ Roam like home – the possibility to use your national mobile data plan while travelling abroad within the EU space. Some restrictions apply: the feature is only for temporary travel and some carriers still have surcharges.

Methodological framework

The European Union has pushed efforts to bring the digital Europe closer to the citizens, which is the premise of this brief. The evolution of digital policies shows a focus on a harmonized regulation framework, while bringing tangible benefits to the citizens. In this sense, these policy efforts pursue a strategy based on a deeper connection between the EU and its citizens, as the barriers between the two must be eliminated. The reasoning behind this effort might be up for debate, but the mechanism of governance approached can take advantage of the multi-level governance framework in order to create a bridge between the two.

Hence, this policy brief will make use of the multi-level governance paradigm to provide a push for the involvement of sub-national authorities within the digital policies. What arguments are in favour of such a model? Firstly, in issues related to technology policies, the state-centric model can seem outdated, considering that the Internet is a technology that has the potential to make borders obsolete. Traditionally, European states have deputized the European institutions to create a proper framework for approaching certain policy issues. However, the model has been different for the digital policies, in the sense that the European level has created its own competence for digital policy issues, starting from the obvious changes brought by technology in various policy domains. Hence, if according to the state-centric model, European institutions act as agents of the Member States, we cannot use the same argumentation for the decision to build the Digital Single Market. In this sense, indeed, as Marks and Hooghe argue, the European Commission is no longer an agent of the member states, as it has built a whole new platform for integration in the form of digital policies, without appealing to a direct policy competence in the treaty, but constructing another one based on the internal market, research and development or transnational networks. (Mărcuț, 2017).

Secondly, if we take a look at the sub-national arena, these actors are also involved in their own microcosm in pursuing local digitization efforts, as much as the decentralization process allows it. For instance, cities have developed their own smart city agenda (Alba-Iulia, Cluj-Napoca) or they create a favourable environment for the IT sector, which can fuel the local digital economy, as well as change the digital skills of citizens. At the same time, states pursue their own digital agendas to mirror the objectives set at the European level, but this does not mean that they monopolize the discussion on digital issues. The Commission contributes to this empowerment by linking cohesion funds with the digitization process. In the case of Romania, regional development funds target technological transfer, digitization of SMEs, while the Competitiveness Program is almost exclusively based on digital innovation (MFE, 2019). The involvement of these programs in the Digital Single Market is, indeed, indirect, but they contribute to the creation of better skilled individuals and competitive businesses for the new unified space of the EU.

Using the multi-level governance model, this policy brief aims to assess the actual presence of sub-national authorities in the digital policy-making and to provide a possible model for a bigger involvement of the sub-national authorities in the overall governance of the Digital Single Market, as a flagship policy, and in digital issues in general. The responsibilities on digital issues are shared between the European, the national, and the local levels, but they can be scattered and the lack of harmonization exemplified by DESI is obvious. In this sense, the hypothesis of this policy brief is that the Local and Regional Authorities (LRAs) are not sufficiently involved in digital policy governance, leaving their potential for digital innovation untapped or unknown.

Why is their involvement necessary? The range of answers goes from the opportunity to promote European integration by creating a direct connection between the two levels to the need to emphasize an actor that is able to create a bridge between a European framework and national goals. LRAs can contribute in both directions, by promoting local digitization to pursue national goals, while growing digital citizens able to function properly in the Digital Single Market and in the Fourth Industrial Revolution. Delivering the DSM to the local/regional level does not entail fragmentation, but its potential for a unified European framework must be translated to the sub-national levels with complementary measures aimed at lifting the potential for the DSM to be exploited properly.

I. Moving towards the DSM

The evolution towards the DSM has gone hand in hand with the development of ICTs. As technology has become more and more accessible, the EEC/EU has pursued strategies meant to harness its potential. The predecessors of the DSM can reveal relevant details about the involvement of different decision-making levels in the policy cycle, in the sense that there has been a “tug of war” between the European and the state level in the development of such policies.

Firstly, the internal market policy, as it stands today, has been designed by the Delors Commission, based on the blockages created by the protectionism of MS in the wake of the 70s and 80s (Commission of the European Communities, 1985). With intensive campaigning and negotiations, the treaty change marked by the Single European Act granted more competence to the EEC to strengthen the internal market with the help of qualified majority voting. The roadmap for European integration had passed through an important hurdle. Although the Common Market had been a desire of the founders of the Community as early as the 1950s, the resistance of MS marked this evolution in a significant way.

Secondly, digital policy can trace its roots to another important policy for the European integration, namely research and technological development. The necessity of more integration in this area also started in the 1980s, but the debate between the European and the national levels has also affected its success. The EEC promoted the idea of R&D as a means of uplifting the entire Community, as it had been suffering competitive losses to other technology champions, like Japan or the USA. However, the MS had constant budgetary concerns over the creation of EU-wide programs, such as the Framework Programmes, which would be managed by the Commission (John Peterson and Elizabeth Bomberg, 1999, p. 204). Moreover, the “national champions” went further and proposed the creation of a different opportunity for research, namely EUREKA, championed by France, Germany or the UK (John Peterson and Elizabeth Bomberg, 1999). Indeed, decisions on technology policy were helped up by Member States and the entire decision-making policy that was enshrined in the Maastricht Treaty on R&D was unique: unanimity for Council Decisions, while co-decision was needed for the EP and the Council (John Peterson and Elizabeth Bomberg, 1999). Finally, the open method of coordination is, as of the 2000s, a mechanism meant to highlight national and regional differences, but to contribute overall to an advancement of the integration in this area.

The importance of such historical marks for the plea of this policy brief rests on the need to identify the balance between decision-making levels regarding digital policy sources. As the internal market is concerned, a single unified space means that the Commission contributes with the creation of a European framework, while the R&D also rests on other types of actors – private entities and regional champions of innovation (Susana Borrás, 2003). The purpose of research funding managed by the

Commission was to empower private companies, which were involved in the drawing up of priorities, and regional innovators, as well as to provide a boost to the entire European area. Moreover, regional and national differences were targeted, while the idea was to uplift the national actors with delays in this field, and sub-national actor with performance in this area (Robert Kaiser, 2003).

II. Governing the DSM

II.1 Involvement of LRAs in the overall DSM strategy

The European Union has no direct competence on digital issues, considering the horizontal character of this policy. Thus, it “borrows” competences from the internal market, research and development, as well as trans-national networks. For instance, DSM and the prerogative of digital transformation are housed within different competences and Commission areas. This creates coordinating challenges. As it aims to deliver a unified space at the European Union, the strategy for the Digital Single Market (DSM) involves a constant dialogue between the Commission, Parliament and Council. However, it requires also the involvement of active stakeholders in the field, especially considering the technical aspects related to data communication, personal data, ecommerce, etc. The DSM strategy emphasizes the involvement of such specialists: “the Commission will also seek to improve the quality of the data and analysis needed to underpin the Digital Single Market by pooling the relevant knowledge and making it easily accessible to the public” (European Commission 2015 p. 19). Moreover, the Commission also counts on advisory groups whose focus is on delivering expert knowledge that will underpin the digital policies at the European level.

So far, in the analysis of the Digital Single Market strategy, we find that local and/or regional authorities (LRAs) or players are not too much involved within the strategy. The implementation of the DSM strategy rests on the collaboration among the European institutions and the national level, which is in charge of national implementation of legislation resulting from the European decision-making process and of their own efforts based on European goals. One of the few references to the regional/local level discusses the activities of regional authorities contributing to infrastructure competition in case of telecommunications (European Commission 2015 p. 10). At the same time, the Union recognizes the need for the promotion of high-speed networks of public interest, such as research capabilities for universities or for schools, which indeed would require a more regional approach.

The second full reference to the regional level relates to the fragmentation of data infrastructures, which forced companies to open data centres at subnational level: “Restrictions, such as those related to data location (i.e. Member States requirements to keep data inside their territory) force service providers to build expensive local infrastructures (data centres) in each region or country” (European Commission 2015 p. 14). In this sense, the elimination of restrictions related to localization could have the potential to transform into a loss for regional/local authorities considering that data centres would not be necessary anymore and a potential closure could be an opportunity for companies to save costs.

II.2. Mid-term evaluation and LRAs

The DSM strategy has passed the mid-term evaluation, as the European Commission has taken stock of the developments in digital policies between 2015-2017. As the original strategy, the mid-term evaluation has stressed the importance of “going European” in terms of digital policies, considering

that an EU-wide implementation is more fit for purpose. At the same time, the review emphasizes the need to step up adoption, implementation and enforcement of this framework to keep up with the continued transformations of the digital economy (European Commission 2017, p. 2).

Compared to the initial strategy, the mid-term review emphasizes a series of concrete measures to step up progress, especially concerning the sub-national level. They are emphasized in Table no. 1, along with the references towards LRAs.

Table 1- Overview of the mid-term evaluation of DSM in parallel with regional priorities

Themes in the DSM mid-term review	References to local/regional authorities
The first set of European regulations – roaming, cross-border portability and geo-blocking	No direct reference to local authorities
Internet connectivity for all	- signalling a reference to the CoR opinion that a proper European framework must be doubled by investment in infrastructure and connectivity. In this sense, the EC states the need for investment, which will primarily come from the private sector, but it emphasizes the role of structural funds from the cohesion policy in investing in Internet infrastructure - Connecting Europe Broadband Fund - WiFi4EU initiative – a voucher system for local authorities helping them build WiFi infrastructure in public areas
A better online marketplace for consumers and businesses	No direct reference to local authorities – the reference is for the cross-border character of the DSM rather than being related to a national/sub-national marketplace
Building an innovation-friendly environment through effective enforcement	No direct reference to local authorities
Making protection of privacy and personal data a reality in the internet	No direct reference to local authorities
Improving the conditions to create and distribute content in the digital age	No direct reference to local authorities
Ensuring a fair and innovation-friendly platform economy	No direct reference to local authorities
Fighting illegal content online	No direct reference to local authorities
Developing the European Data Economy	No direct reference to local authorities
Fostering a trustworthy cyber ecosystem: Tackling cybersecurity challenges together	No direct reference to local authorities

Digital skills and opportunities for all	References the Digital Skills and Jobs Coalition – an initiative, which also encourages public authorities to join in promoting digital skills. The Commission asks for more effort at the national level
Start-ups and digitization of industry and service sectors	Digitizing European Industry initiative, as well as the Digital Innovation Hubs are measures of the Commission to boost formation of local start-ups and contribute to the digital transformation of the industrial sector, the transport sector, as well as energy. However, they fall within the scope of the Commissioner for Industry and Entrepreneurship, outside the DSM environment.
Digital innovation for modernizing public services	The modernization of public administration using technologies – another field where the citizen has direct contact with the state at the local level. Principles – “once only” and “digital by default” are measures to ease the burden of bureaucracy that can be applied also at a local/regional level
Digital transformation of health and care	Local/regional hospitals and medical research centres should be able to have the infrastructure to assess Big Data, to be able to transfer medical data, and to issue e-prescriptions. These measures are referenced more in relation between the EC and the Member States, but they are relevant for local/regional hospitals
Stepping up investments in digital technologies and infrastructures	No direct reference to local authorities – considering that the measure targets high computing, artificial intelligence and such – for the European level

Source: European Commission, 2017

As we see from Table no. 1, the involvement of local/regional authorities in relation to the DSM remains limited. However, there are new domains referenced that could boost their involvement, such as transport and energy or even health care. These domains fall within the scope of another Commission priority, as they are not under the DSM umbrella. Hence, coordination is key. At the same time, the mid-term review references some of the concerns that the CoR has had in relation to the DSM, especially considering digital skills and Internet infrastructure. In this document, the Commission specifically references potential sources of financing and/or support for boosting digital skills, as well as promoting urban mobility and using technologies in energy. The Commission goes beyond the three domains listed within the original document in the mid-term overview, opening up the discussion regarding the more diversified means of delivering the Digital Single Market.

Moreover, the EU has built investment facilities meant to promote digital transformation of industry – wherein the local authorities must be the central line of connection between the EU and the private entities. Similarly, in domains, like transport and energy, the first impact of digitalization is felt again at the local/regional level. Urban mobility and new forms of energy for local communities are challenges that need to be tackled by local authorities, depending on their resources. The direct support

of the European Union offering an international platform of best practice exchange would help authorities considerably. In summary, the relevance for the local authorities could be extended by offering a regional version of these initiatives – doubled by best practice exchange. The Digital Transformation monitor of the EU features examples of regions involved in Industry 4.0 or the Fourth Industrial Revolution, but it is managed separately from the DSM umbrella and it does not have the same visibility (European Commission. Digital transformation monitor 2018). In this sense, it is also imperative to put such initiatives into one umbrella.

III. Committee of the Regions and the DSM

The Committee’s opinion on the DSM strategy agrees with the vision of creating “digital sovereignty” for Europe, but it does state that the supranational dimension is not enough. The sub-national levels – both local and regional – should be involved to develop more targeted digital ecosystems (Committee of the Regions 2015, p. 4). Moreover, the Committee states that “the key role and potential of local and regional authorities should be taken into account in all future legal acts adopted to shape the digital single market” (Committee of the Regions 2015 p. 3). The potential for closer cooperation between the European institutions and regional authorities could be used to provide a clearer crystallization of the European Union in the eyes of the citizens.

Secondly, the CoR opinion adds that while the European dimension is clearly a necessity for the overall growth of the EU, it is not sufficient, considering that there is a need to develop “in parallel” those digital ecosystems made of SMEs, start-ups or research hubs. The added value of this parallel system is seen first at the local or regional level. Of course, digital ecosystems should not be developed in parallel by the authorities (local, regional or national ones), but they should be included within the overall DSM policies.

The same opinion presents the areas that concern the local/regional level primarily. These are the main priorities where the authorities act somewhat in parallel to the European dimension of digital policies. These are:

- Modern e-government services
- Modern internet infrastructure to create a bridge between the rural and urban areas
- Digital literacy for all citizens
- A friendlier environment for digital development (Committee of the Regions 2015, p. 3)

The opinion emphasizes the difference in view between the European outlook of the DSM strategy and the outlook of regions, as this digital space poses “particular challenges”, which public authorities have a limited capability to control or mitigate (Committee of the Regions 2015, pp. 3–4).

The private sector is also responsible for delivering the benefits of digitalisation at the regional level. For that matter, the regional authorities need to work in partnership with the EU, as well as with the private entities to boost digitalisation, digital skills, and the potential for innovation. According to the CoR opinion on this issue, the challenges revolve around the impact of the “migration from the offline to the online environment” to the sub-national level (Committee of the Regions 2015, p. 4). In this sense, the opinion of the body representing the regional authorities acquiesces to the view that the local environment must support the development of new types of services, new technologies, as well as new business models, for the maximization of the benefits created by the digital single market.

Table 2 - Overview of DSM in parallel with regional priorities

<i>Digital Single Market Strategy - priorities</i>	<i>Priorities for regional authorities within the CoR Opinion</i>
Better online access for consumers and businesses across Europe	For regions – better online access means the development of Internet infrastructure regardless of whether they are rural and urban areas
- Cross border e-commerce rules	
- Cross-border parcel delivery	
- Elimination of geo-blocking	
- European copyright framework	
- New VAT rules for cross-border e-commerce	
Creating the right conditions and a level playing field for advanced digital networks and innovative services	The level playing field for regions – a specific dissatisfaction regarding the way in which the sharing economy is discussed within the DSM – considering that the sharing activity takes place locally/regionally and the financial gains are taken out of the regional level
- New telecom rules	
- A modified media framework fit for on-demand services	
- Regulatory environment for online platforms	
- Privacy and security of digital services	
Growth of the digital economy	A friendlier environment for digital development/ focus on digitalisation and new technologies Modern e-government services Digital literacy
- Building a data economy	
- New interoperability and standardisation rules	
- An inclusive e-society (digital skills and e-government)	

Sources: European Commission, 2015 and Committee of the Regions, 2015

Table no. 2 emphasizes the differences in views regarding the European dimension of the digital policies and the regional approach. The transformation of the European economy and adapting to digital pose real challenges to regional authorities. The starkest objection that the CoR has, in this sense, regards the discussion on the ‘sharing economy’, the opinion regretfully stating that the Commission “only scratches the surface” with regards to the game-changing approach of the sharing economy and its transformative powers (Committee of the Regions 2015, p. 8). Overall, the concerns of regional authorities in relation to the Digital Single Market relate to the potential losses that they can incur with the digitalisation of the industry in terms of movements of companies, in terms of new economic models and, overall, with relation to the changes brought about by the constant competition to attract more economic players.

The CoR opinion proves to be even more valuable, as it does issue a series of policy recommendations to support regions, one of which is the need for a progress check with regards to digital divides that should take place at a sub-national level (Committee of the Regions 2015, p. 6). The report refers to the prioritization of Internet infrastructure within a partnership between the Commission, the European

Investment Bank, and regional authorities, but it can extend as a measure of the Digital Economy and Society Index, as a means of decomposing the index into regional fractions. Why? The current index represents an abstracted picture of Member States' performance in terms of digital policies and it does not showcase performance or lack of performance at a sub-national level for a more targeted approach for digital investments.

As part of the involvement of the CoR in the legislative process of the European Union, it has also issued an opinion on the evaluation of the DSM strategy. The major themes of interest remain the same as those from the initial opinion: infrastructure, digital skills, investment in digitalization. As with the initial strategy, the organism stresses the potential for involvement of local authorities in terms of boosting investment in technology and infrastructure.

Regarding digital skills, the tone of the document becomes more pressing, as follows: “insists in this respect on the enormous importance of digital literacy and skills for citizens, workers and jobseekers for the comprehensive implementation of digitalization in the economy and society and expresses concerns over the persisting digital skills gaps identified by the Commission” (Committee of the Regions 2018, p. 6). In this sense, the pressure for local and regional authorities stems from the need to have a qualified force, which could attract more investors to the area. While they cannot intervene too much in the training of the labour force due to their limited competence in this area, a proper partnership with the EU and the national authorities could provide an impetus.

Compared to the initial opinion, this document does reference the key role that local/regional authorities can play for the development of the DSM in a separate section. It calls for more involvement of the sub-national level in the field of the digital single market and for more recognition or consideration “when an action is taken at national or EU level” (Committee of the Regions 2018, p. 8).

IV. Evaluating the potential of LRAs in digital policies

The evolution towards a Digital Single Market has been marked by debates between the national and European levels, while the sub-national actors were left outside the debate, except for references related to their innovative potential.

Based on the analysis, we can identify three instances of the involvement of LRAs in the digital policy ecosystem. Firstly, they are seen as by-standers to the Digital Single Market, which more often than not can have a negative impact. They have little autonomy and policy control to mitigate digital challenges, because of the two other decision-making levels. One such example is the sharing economy – Uber, Airbnb, etc. They risk economic losses due to the unification of the digital spaces, for instance in the case of regional data centres that are no longer necessary.

Secondly, they are passive actors, beneficiaries of structural funds or other type of support to pursue their own versions of digital policies. They are passive, in the sense that their control is limited to projects, strategies or measures agreed by the European level. The benefit of this position for the governance framework is that the European level is able to offer full financial support based on a specific set of goals.

Regional specialization, both in innovation policy and in digital policies, can contribute to the policy cycle in different manners. In this sense, the third instance of LRAs is that of active actors, but their

involvement is related to European initiatives. Two specific examples are Digital Innovation Hubs and the Digital Jobs and Skills Coalition. Digital Innovation Hubs are based on research entities, but they are able to contribute also to a regional specialization strategy (Digital Single Market, 2016). Regional organizations can also take centre stage in their own pledges to boost digital skills of citizens, especially considering the fact that they are not able to control the education policy at sub-national level. In this sense, together with companies and NGOs, they do their part at the sub-national level to offer trained labour force.

The European level has mechanisms to involve LRAs in the multi-level governance system of digital policies. However, their involvement oscillates between passive and active interaction, depending on the national specificities. There is another instance in which LRAs can strengthen their involvement and it refers to their own local efforts in the form of smart/digital city strategies that involve diverse domains, such as urban mobility or local connectivity. Local needs can thus be fed into the overall governance mechanism, with a more accurate outlook than an abstract index as DESI.

Policy recommendations

These authorities should not be dismissed in the process of creating the DSM just because this space has a deep European, supranational component. For that matter, this process is an occasion to boost the EU's image at the local level, by working more together with the authorities. In some respects, this process has already started. The WiFi4EU initiative aims to create a bridge between the local/regional authorities and the EU, but leaders must endeavour for more, considering the CoR's opinion. The key domains identified are: digital skills, digital public services, Internet infrastructure and digital transformation. Looking at the evolution of the DSM strategy, we find that the progress in acknowledging the local/regional level is present – in initiatives to target digital transformation at a sub-national level, directing EU funds, as well as investors to develop Internet infrastructure, etc.

Finally, the CoR's opinion issues a reasonable proposal: "Internet access could become a citizen's right and an indicator of quality of life" (Committee of the Regions 2018, p. 5). The socio-economic implications of Internet access are not revolutionary anymore in today's network society; they attest a society's preparedness to adapt to constant technological changes. Hence, quality of life definitely improves, but Internet access is not enough. The proper skills and key players are necessary to uplift a community.

Policy recommendations should strive to achieve a better balance between the passive and active quality of LRAs in digital policies. Secondly, there should be more emphasis on the impact of new business models on the local/regional economy:

- Obtaining a better outlook on the risks posed by the DSM to the LRAs – especially considering the development of different business models that challenge the traditional relation between economic actors and authorities. A balance between an innovation environment and a proper regulatory framework must include regional authorities in the discussion.
- A more comprehensive mapping of digital potential at regional level – based on the active/passive balance mentioned above. This initiative can strive for 'digital cohesion', especially considering the way in which structural funds are promoted for resolving issues related to digital divide. The mapping contributes to specific targeting of funds and initiatives and can be monitored by the CoR.

The goal is to make LRAs more active in digital policies, while communicating more with them on their ‘on-the-ground’ experience with digital transformation of the cities or regions. The right European instruments are available in the form of partnerships with interested parties and funding for development of a digital ecosystem. However, consultations on their own regional strategies for digital issues should be strengthened, as they possess valuable information on the experience of their citizens (digital skills required locally, digital education, urban mobility needs) with everything that is digital transformation.

Conclusion

What more can be done to bring Digital Europe closer to the citizens? The answer is simple: involve public authorities more in the overall DSM mechanism. Why? The reason is because the LRAs are the first big contact that citizens have with the authorities and this closer connection between the two entities can help boost the European idea at the sub-national level.

The Committee of the Regions has already issued certain proposals, such as:

- Report on the progress towards bridging the digital divide – which is understood only in terms of Internet infrastructure;
- Provide more opportunities for investment in infrastructure and digital transformation of the industry. WiFi4EU should be just the first step;
- More dialogue on the challenges provided by new economic models available due to the Internet, especially the sharing economy and online platforms.

Moreover, the analysis of involvement of LRAs in digital policies has been based on European Commission and CoR views and reveals that sub-national actors are seen as simple by-standers, passive actors or active participants in digital policies. Policy efforts in this direction should be aimed at uplifting them and transforming them into active participants in the governance of digital policies.

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