



## Cities need strong support for digital transition in the next long-term budget

The digital transition is currently revolutionising European cities. It is transforming service delivery locally with the potential of creating better and more accessible services at lower operating costs to the benefit of citizens. At the same time, it is a long term process, which will require sustained support in the coming years to fully reap the potential benefits and ensure all cities across Europe are on track.

The digital transition processes and initiatives are planned over several years. They are complex and cross-functional. One major challenge for cities is to create or identify budget resources that match the nature of the transition process. Funding tools must support a mixed approach. It is not enough to invest in IT infrastructure. We need to invest in people too. The development of digital skills and improving qualifications will be a vital step in ensuring the competitiveness of the European economy and overcoming the digital divide in the EU. We also need substantial investments in emerging technologies, which have the potential to fully transform the urban environment and our economy. This cross-functional approach is a challenge to current funding programmes and financial instruments at EU level.

The Digital Transition Partnership, with the support of EUROCITIES, OASC and CEMR, calls for a financial framework supporting cities and regions in digital transition to be ensured, as part of European policy and the post-2020 budget. We strongly support the Commission's proposal for a Digital Europe Programme, which is an important step in the right direction. In addition, we emphasise that the EU's cohesion policy must also provide strong support to digital transition, as included in the Commission's proposals on ERDF (policy objective 1).

We recommend maintaining the proposed programmes and level of budget allocation to ensure essential funding for digital transition in Europe. Empowering cities and regions through financial resources will, in turn, stimulate the market and support European businesses to develop new innovations and create new business opportunities for global digital markets.

For more information about the Digital Transition Partnership: <u>https://ec.europa.eu/futurium/en/digital-transition</u>