

Commentary

Open Adoption Data: How to Make the Digital Compass A Success:



On 22 June 2021, the European Commission launched the digital compass to "translate the European Union's digital ambitions for the next decade into clear, concrete targets, setting out a European way for the digital decade" in the words of the announcement.

The strategy includes an array of performance targets and not coincidentally coincides with the launch of several ambitious funding programmes, including the <u>digital Europe</u> <u>programme</u> and <u>Horizon Europe</u>, which together with the <u>recovery and resilience</u> <u>facility</u> will see more than €150 billion set aside for digitalisation efforts. The compass is designed to ensure that exceptional resources like this are transformed into visible results. Aware of its importance, <u>the European Commission has launched a wide consultation</u> on how to achieve the targets.

"How" is indeed the key question. The European Union has had countless digital strategies, starting with "eEurope" in December 1999. Interestingly, many of the challenges first mentioned in the eEurope programme are the same ones that also figure prominently in the digital compass: "an insufficient digitally literate on-line population; lack of a sufficiently dynamic, entrepreneurial, service-oriented culture; a public sector which is not playing a sufficiently active role in enabling the development of new applications and services."

The question then is, how can we ensure that the digital compass is able to deliver change this time and won't turn out to be just another strategy?

Usually, a complex question like that would require multidimensional answers. But I want to focus on one recommendation that could make a crucial difference: the European Union should **open up adoption data for all publicly funded digitisation projects**. If a project receives public funding, it should provide structured metrics on a regular basis on the usage of the digital products and services it builds. The <u>new European digital identity</u>, for example, should report on the number of registrations as well as actual eID-facilitated transactions; <u>destination Earth</u> on the number of research users and new services built on top of it, <u>Gaia-x</u> on the number of business users and volume of data, <u>European digital innovation hubs</u> on the number of small- and medium-sized enterprises served, and so on.

This is not just a matter of accountability, albeit important. Crucially, opening up adoption data will provide a new, major zero-cost incentive to ensure that funding for digitalisation is focused on users' needs, which is arguably the most important challenge to successful digitalisation projects. On top of this, it will produce a wealth of data for the public and policymakers to assess what works and what doesn't – and potentially pave the way to new, more effective innovation that could better serve the public.

Why is this important?

It is no secret that digitalisation efforts have faced low adoption, and digital government is the most visible example. In 2020, the year of the pandemic, Eurostat data show that <u>fewer than four in 10 European adults use fully online public services</u>. Data automatically generated by services at the national level shows that <u>digital government services did not experience the surge that e-commerce saw during the pandemic.</u> Low adoption has been the persistent challenge of digital government, and the main reason is that many governments have been merely transposing existing services to digital channels rather than redesigning the processes behind them to better meet users' needs.

But these facts clash curiously with official measurements and the governments' own report cards on the effectiveness of their services. Since 2005, many governments have pledged repeatedly to put citizens at the heart of service design and delivery (see especially the Malmo (2009), Tallinn (2017) and Berlin (2020) ministerial declarations on digital government) And, in a 2020 survey, 80% of the public administrations surveyed said they were involving citizens in developing their services. The European Commission, for its part, awards a resounding 87% score for "user-centricity" to European public services based on its assessment.

So why is there such a gap between the celebratory self-assessments and the reality in which we all live? One problem is that buzz words like "user-centricity" and "co-creation" – which mean meaningful things when applied successfully – are still too vaguely defined to measure meaningfully. Many can, and do, simply tick a box indicating involvement in a "co-creation-driven project" when the reality they are referring to may be little more than a couple of meetings with citizens where post-it notes were used. Real co-creation – involving citizens in the co-design of services and applying advanced metrics to better understand how those services are being used – is rare and hard to find. There is, in fact, little accountability for governments that claim to be user-centric in official surveys when there is little evidence that citizens have actually experienced this user-centricity on the ground. Projects focusing on user needs are launched with great promise, only to be abandoned a few years later, as citizens don't use the services and private partners don't pile in or invest. Obviously, there are exceptions and good practices, but they rarely scale up at European Union level.

Adoption is the missing ingredient here. Opening up adoption data would immediately create an accountability mechanism by showing in real time whether services are meeting user needs. As usual, accountability is not just effective in rewarding good behaviour (by, for example, further funding projects that encounter high adoption). It has an even more powerful pre-emptive effect in orienting decisions. The awareness that adoption metrics will be public can change the way projects are selected, designed and implemented.

This is not a radically new idea. When digital teams have been created to overhaul government's online presence in countries such as Italy and the United Kingdom, one of the first decision they took was to publish dashboards with adoption data on digital government, automatically generated. Researchers in the *Understanding Value Co-Creation in Public Services for Transformation European Public Administrations (Co-VAL)* project – a 12-member Horizon 2020-funded consortium in which the Lisbon Council participated – identified eight such national dashboards.

Another factor makes this approach relatively easy to implement. Funding instruments all entail reporting mechanisms. Such mechanisms already gather much data from beneficiaries. Indeed, the Horizon Europe programme includes a mandate on open research data: by default, data generated by the project is publicly accessible. And adoption data could be easily published on the European Open Data Portal, which already publishes an array of machine-readable data on all projects funded. In other words, opening up adoption data is an example of incremental innovation that can have a powerful impact. Last but not least, as adoption metrics are aggregate data, there are no data protection concerns.

This transparency is particularly important in the new political climate. Leaders of the G-7 recently committed to driving a new agenda that puts government more directly in the service of citizens as part of the so-called <u>Cornwall Consensus</u>. In Europe, this new reality is seen in a more proactive industrial policy that could best be described as unambiguously patriotic: building a European cloud, orienting research towards government-defined missions, creating a European semiconductor industry, ensuring European access to raw materials, making sure that European data are processed following European standards.

These are legitimate goals. And government intervention can be successful at times, as the examples of Japan, South Korea and Taiwan have shown. In his wonderful book "How Asia Works: Success and Failure in the World's Most Dynamic Region," Joe Studwell argues that a major role in these countries' theory-defying growth was played by government subsidising export-oriented companies. But crucially, the mechanism was carefully designed to encourage delivery and provide the right incentives to entrepreneurs. Simply put, public subsidies were conditional on meeting export targets, and companies not meeting the targets lost this crucial support and in most cases went bankrupt. So, rather than picking winners, governments accelerated the process of creative destruction by eliminating less competitive companies. The selection process was not based on bureaucrats picking winners but on actual demand for the products and services from real consumers making choices in highly competitive markets.

I believe a similar approach should be adopted for the digital compass. It's okay to strive for digital sovereignty, but to avoid the risk of repeating past mistakes and get the most out of this unique investment round, appropriate checks and balances should be in place to make sure that the projects are aligned with the needs of the market rather than with the expectations of government officials. Open adoption metrics can be both the proof and the stimulus towards this goal.

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the Forum

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