Interreg Europe

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Digital transformation of public services

*A Policy Brief from the **Policy Learning Platform** for a smarter Europe*

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SMART

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Executive summary

In a world of **digital advancements**, the **public sector** must undergo a **comprehensive digital transformation** to enhance **service delivery** efficiency, improve **governance,** foster **innovation,** and increase **citizen satisfaction**. The European Union is playing a leading role and has been actively developing policy frameworks for the digitalisation of the public sector. This policy brief provides a general overview of the most relevant initiatives, regulations, and strategies of the European Union, which are **shaping Europe's digital future**.

The European Union's strategy for the digital transformation of public services is centred on enhancing **accessibility, efficiency, and user-centricity**. This strategy also aims to promote **interoperability among Member States**, fostering **seamless cross-border interactions**. Privacy and security measures are integral to building trust in digital public services, with a focus on **data protection and cybersecurity**. Ultimately, the goal is to create a cohesive, **digitally advanced public service ecosystem** throughout the EU, with the active participation of the private sector (GovTech).

Certainly, the concept of interoperability holds significant relevance for **regional and local governments engaged in interregional cooperation**. The Interoperable Europe regulation embodies a framework for **structured EU cooperation**, where public administrations collaborate within projects co-owned by Member States, regions, and cities, supported by both public and private entities. Additionally, interoperability encompasses the crucial aspects of **sharing and reusing solutions**.

In this policy brief the authors also outline key policy improvements, good practices and recommendations, stemming from the Interreg Europe projects BEST DIH, BETTER, ENAIBLER, Next2Met, Digital Regions, Digitourism, Inno Provement, ERUDITE, iBuy and Carpe Digem, to help inform and guide policymakers to embark upon digital transformation processes successfully, as well as **encouraging greater interregional cooperation.**

The knowledge, solutions and good practices showcased in this policy brief come mainly from Interreg Europe projects.

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Foreword

Andrea Halmos – Deputy Head of Unit Interoperability and Digital Government – DG DIGIT

While working towards the **digital transformation of digital public services** and their availability online, we need to ensure that these services are also accessible to citizens of any Member State without discrimination. This is particularly important for the 150 million EU citizens in border regions and the 2 million citizens commuting regularly between Member States.

These services should also be **fully aligned with EU values and principles**, such as the **once-only principle**[1] and **user-centricity**, striving for personalised and eventually pro-active public services that work seamlessly across borders. Interoperability is a key enabler in this endeavour. It facilitates legal, organisational, semantic, and technical alignment, as recommended by the **European Interoperability Framework (EIF)** to facilitate cross-border data exchange. Considering the above, the Commission has proposed the **Interoperable Europe Act**.

The Act should help the EU and Member States to deliver better key public services, interoperable by default, to citizens and businesses. It is an essential step to achieve **Europe's digital target of 100% online accessible provision of key public services in a meaningful way by 2030**. Furthermore, the proposal supports an ever-growing community around the innovative use of digital technologies by the public sector. Experimentations are particularly encouraged to learn about emerging technologies and their use in the public sector.

Local authorities collaborate and share competencies with State agencies, national bodies, or non-governmental organisations (i.e. healthcare, education, public services provision..), consequently, interoperability is a **key enabler for local authorities in Europe**, promoting efficiency, collaboration, and effective governance, as it allows them to harness the power of **digital technologies, data sharing, and seamless communication** to better serve their communities and contribute to broader regional and national objectives. This is essential for addressing **complex issues that require a coordinated effort**, such as emergency response, public safety, and infrastructure development.

[1] *This new once-only principle (OOP) system allows both citizens and businesses to carry out all their administrative procedures across the EU in a faster, simpler and smoother way. Source.*

Introduction

Digital transformation in the local public sector involves the integration of technology to **streamline processes, improve service delivery, and foster innovation**. This digital shift is essential for the local governments to keep pace with evolving citizen expectations and address complex and interdisciplinary challenges. The increasing availability of substantial amounts of data, coupled with the current surge in emerging digital technologies, is fostering a new era of government transformation. This transformation is largely **data-driven**, enabling the formulation of smarter policies and services tailored to specific needs.

Digitalisation is associated with increased efficiency and performance and better service delivery, but also with greater transparency, participation and cooperation (**Fischer et al.**).

The European Commission has set 3 key targets for the **Digital Decade**, the policy programme for 2030, to improve the digitalisation of public services:

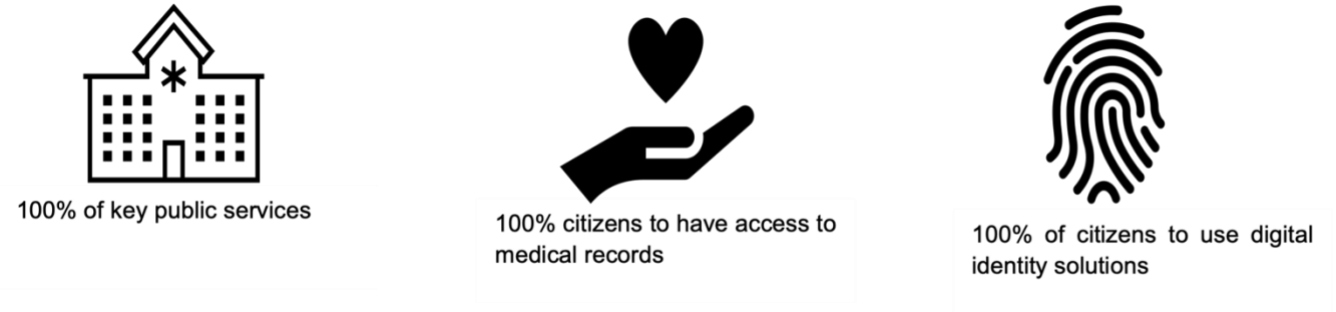

Figure 1 – Source : the authors. Adapted from the European Commission Europe's digital decade

These targets are stipulated in the European Declaration on Digital Rights and Principles, signed in December 2022. More specifically, both the EU and its Member States have pledged to facilitate and endorse seamless, secure, and interoperable access to digital public services throughout the EU, designed to effectively meet the needs of citizens. This commitment extends to **digital health and care services**, with a notable emphasis on accessing electronic health records. Significantly, as part of the Declaration, the EU and Member States have also agreed to ensure that residents in the EU are provided with the opportunity to use an accessible, voluntary, secure, and trusted **digital identity**, granting access to a wide range of online services.

Having these ambitious targets set, the European Union aims to ensure that online democratic processes and public services are fully accessible to all. The goal is to establish **a high-quality digital environment characterised by user-friendly, efficient, and personalised services and tools, adhering to high standards of security and privacy**. Easy-to-use services will empower citizens and businesses of different sizes to effectively communicate with policy makers and eventually influence policy making decisions, thereby improving overall public services.

A strategic set of actions is outlined in the ComPAct, a Commission Communication on Enhancing the European Administrative Space. The ComPAct will help Member States address the EU Skills Agenda and deliver on the targets of the Digital Decade.

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Digital transformation brings a broad range of **advantages**; nevertheless, local authorities need to be prepared to tackle the **potential challenges and risks** that accompany it, as outlined in the following paragraphs.

Key benefits

The digitisation of public services at the local government level brings a host of benefits, significantly enhancing the **efficiency of administrative processes** and improving **accessibility for residents**. This shift towards digital services results in considerable cost reductions by automating tasks, thereby **cutting down on administrative expenses**. Consequently, there is a marked improvement in the delivery of services, achieved through the use of **digital platforms** that **enable quicker, more precise procedures**.

This transformation allows for a **more responsive and agile administration**, tailored to the specific needs of local communities. Moreover, **transparency is greatly augmented**, as citizens gain instant access to information, ensuring they are **well-informed about local policies and decision-making processes**. This digital transition not only streamlines operations but also fosters a **closer connection between local governments and the communities they serve**, promoting a **more inclusive and participatory approach to governance**.

Moreover, digital inclusion ensures the **narrowing of the digital divide between urban and rural or remote areas**, addressing the limited access to digital services and broadband connectivity in these regions.

Digital transformation cultivates a **culture of innovation** within the public sector, fostering the development of new and improved services for citizens, thus promoting economic development (procurement of digital solutions) and civic engagement (community-centric tools).

Local authorities serve as the **closest interface with citizens and local businesses**, making the digitisation of public service delivery immensely advantageous, offering numerous tangible benefits, as it **increases proximity to users**. For instance, **municipalitie**s having embraced digital solutions can streamline processes related the **most common administrative procedures** (permit applications, business registrations, civil register, funding portals…).

Additionally, in critical sectors such as **emergency and first responder networks**, digitalisation enables prompt and coordinated responses. Mobile applications and interconnected databases ensure that crucial information is swiftly disseminated during emergencies, contributing to **community safety**.

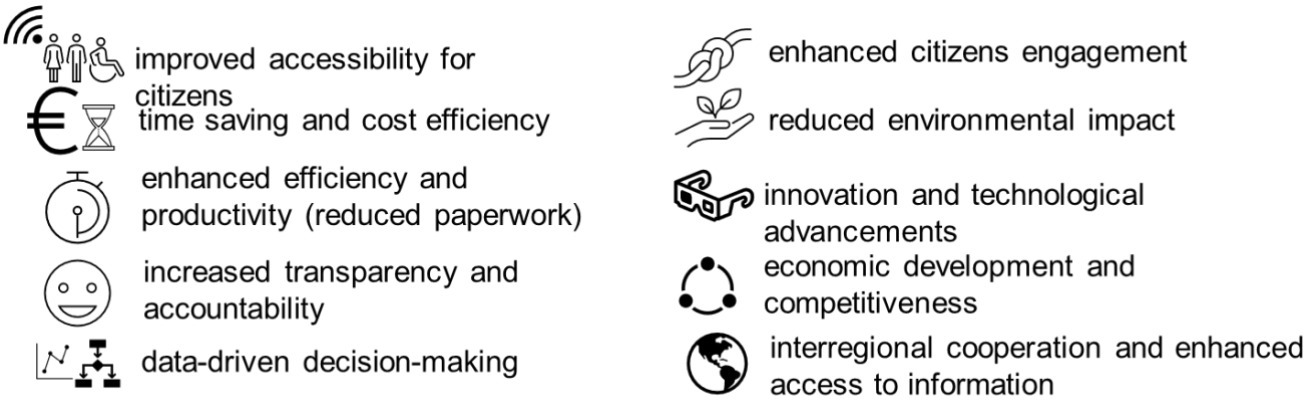

Figure 2 – Key benefits of digitalisation. Source: the authors

Challenges and risks

The digital transformation of public services also presents **various challenges and risks** that need careful consideration. Addressing these challenges is crucial to ensure the successful implementation and sustained effectiveness of digital government initiatives.

A key challenge in the digitalisation of local government services is **ensuring digital inclusion**. This entails a commitment from local authorities to make sure the benefits of digital transformation are widely accessible, thus preventing the aggravation of inequalities or the widening of the digital divide, in particular in remote areas. To achieve this, local governments must recognise and address the **potential resistance to change among citizens and public employees**. Such resistance can stem from a **lack of familiarity with new technologies**, highlighting the importance of investing in **digital literacy and skill development**.

Moreover, successful digital transformation is heavily dependent on the ability of local authorities to **foster trust in these new systems**. Building confidence in digital services requires transparent and secure processes, as well as **tailored training and support**, to ensure that all members of the community, regardless of their digital proficiency, can participate fully in this digital evolution.

Additionally, local governments should focus on **creating robust, reliable digital infrastructure and accessible platforms** that cater to the diverse needs of their communities, including those who are less technologically adept. This "Service Design" approach not only bridges the digital divide but also strengthens the overall effectiveness and responsiveness of local governance, building accessible, ethical and equitable public services that prioritise user needs, rather than government needs.

Among the major threats, associated with the increased reliance on digital systems, the risk of **cyber-attacks** becomes more pronounced. The European Union is working on various fronts to promote cyber resilience, and presented a new Cybersecurity Strategy the end of 2020, which forms a key component of Shaping Europe's Digital Future. The strategy describes how the EU can harness and strengthen all its tools and resources to be **technologically sovereign**.

In this scenario, it's particularly noteworthy to highlight the Interreg Europe CYBER project, whose objective is to enhance the competitiveness of European cybersecurity small and medium-sized enterprises (SMEs) by fostering synergies among European Cybersecurity Smart Regions.

Another major challenge is related to **interoperability and standardisation**, and as explained in the next chapter, the European Commission is driving the establishment of new standards and frameworks to enhance cross-border interoperability.

EU policy framework and initiatives

The European Commission has established regulations and strategies to support the public sector to keep pace with new technologies, setting up a number of initiatives and programmes such as **GovTech** collaborations, **Interoperable Europe**, the **Digital Europe Programme**, and other tools in the framework of the **Connecting Europe Facility**. It is also worth noting that key institutions such as the European Committee of the Regions are influencing the policy developments by creating relevant working groups that seek to ensure that the regional dimension is considered when designing new policies. (see the Opinion on the European Approach to Artificial Intelligence).

The Single Digital Gateway

The Single Digital Gateway is one of the most ambitious EU eGovernment initiatives to support the digitalisation of public administrations. It is key to enhance the EU's competitiveness and achieve a level-playing field in the Single Market.

Following the approval of the gateway regulation in 2018, the European Commission and national administrations are actively constructing a **network of national portals**, which aim to provide citizens and businesses with information on the application of EU rules in each EU country, along with details on available assistance services. As of December 2020, certain services have been consolidated under a single-entry point on the Your Europe portal. National websites participating in the gateway initiative can be easily identified by the presence of the **Your Europe logo**.

Interoperable Europe Act

The Interoperable Europe Act was proposed in November 2022, with the objective to enhance interoperability in the public sector. Interoperability enables administrations to collaborate and ensure the **seamless functioning of public services across territorial, sectoral, and organisational boundaries**, while preserving the sovereignty of administrations at all government levels.

> *"Cross-border interoperability' means the ability of network and information systems to be used by public sector bodies in different Member States and institutions, bodies, and agencies of the Union in order to interact with each other by sharing data by means of electronic communication."*
>
> *Article 2 of the Proposal for an Interoperable Europe Act*[2]

2 The European Council and the European Parliament have reached a common position on November 2023 and the Regulation should enter into force in the first semester of 2024

This new regulation creates a **collaborative framework** among public administrations throughout the EU, facilitating **the sharing of data and the establishment of interoperable and reusable digital solutions**. These actions aim to eliminate administrative burdens, encompassing legal, organisational, semantic, and technical challenges. The goal is to ensure the **smooth provision of essential public services online**, accessible to all individuals in the EU without discrimination.

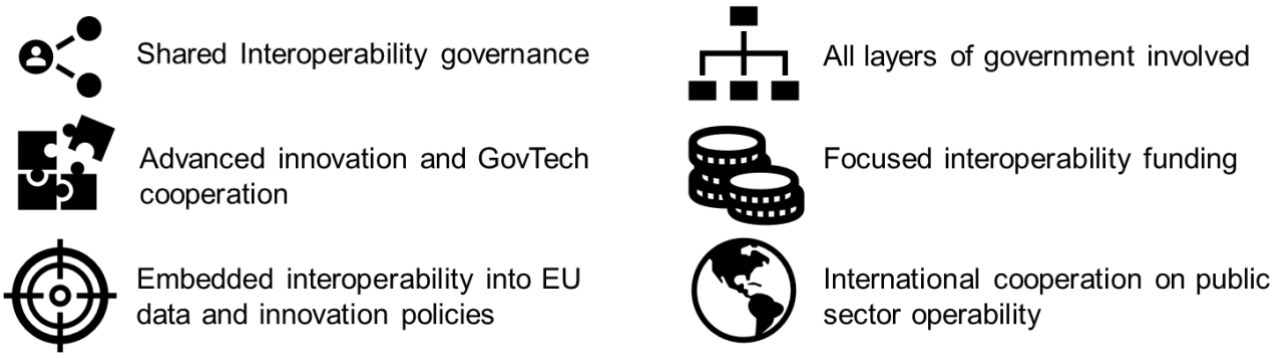

Figure 3 – Main objectives of Interoperable Europe Act – Source: the authors

Interoperable Europe Portal

The Joinup platform is the European Commission's **one-stop shop for interoperable**, open, and free digital government ICT solutions and an **online space for e-Government professionals** and enthusiasts to share and learn about digital public services and initiatives.

"Today, the platform has reached 12 000 registered users. Further developments of the platform include its rebranding into "Interoperable Europe Portal". This portal will become a knowledge hub for public administrations to implement interoperable digital public services: it will include online training courses, access to innovative use cases, country knowledge and reusable interoperability solutions" – Andrea Halmos

The **Interoperable Europe Community** brings together representatives from **public authorities at the local and regional levels**, as well as participants from civil society organisations and academic contributors. The Interoperable Europe Community can actively contribute to the Join Up Platform / Interoperable Europe Portal and engage in working groups established by the Interoperable Europe Board to address specific aspects of its strategic agenda.

Withing this community, the **Interoperable Europe Academy**, provides varied e-learning materials on interoperability-related topics. It ranges from online self-paced learning material targeting policy implementers in Member states like the 'Alignment of the National Interoperability Frameworks to the European Interoperability Framework' to an introductory course on interoperability targeting public servants and the general public (**available in 24 EU languages**).

Moreover, the portal highlights **relevant good practices for local policymakers**. One of them is the MOSAICO tool, the Portuguese Common Model for designing and developing digital public services, centred on citizens and businesses. The main objective is to ensure that digital public services are built and evolved according to **a common model transversal to all public entities**, guaranteeing a unique experience in the citizen's relationship with the State, companies and entities of the civil society.

GovTech Connect Platform

GovTech programmes aim to **leverage technology** for better governance, increased citizen engagement, and the overall enhancement of public administration. By adopting modern technologies, governments seek to provide more user-friendly services, optimise decision-making processes, and contribute to the development of smart, data-driven societies.

Figure 4 – GovTech definition. Source: the authors adapted from Kuziemski et al.

Several National Programmes have emerged across the European Union since 2009, such as the *National Digital Research Centre* in Ireland (see the report on GovTech Practices in the EU, which provides an overview of the diversity of GovTech programmes and shares lessons learnt for setting up government-run GovTech programmes).

To capitalise on the National Initiatives the European Commission launched the GovTech Connect Platform, a space for collaboration and knowledge sharing, serving as an information hub for the entire European GovTech marketplace.

GovTech ecosystems refer to networks of citizens, public and private actors (including SMEs and startups), academia, and (venture) capital involved in the development of technological solutions to address public challenges. (Hoekstra et al)

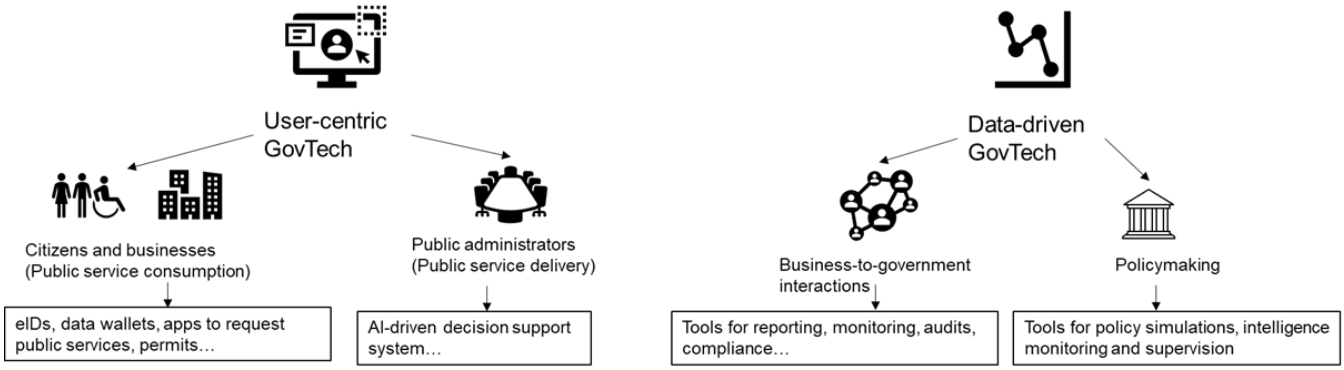

Figure 5 – different categories of GovTech. Source: the authors, adapated from Bharosa, N.

Furthermore, GovTech is naturally interconnected with **Innovation procurement**, as they both revolve around the idea of leveraging technology and innovation to improve public services and governance. Indeed, the public sector play a crucial role in acting as catalysts for innovation. By incorporating **innovative solutions** into their procurement strategies, public buyers can stimulate the development and adoption of modern technologies, support new services, fostering a culture of innovation within both the public and private sectors. Innovative procurement can also be used to address key societal challenges such as **climate change through earth observation**. This goal is also being addressed by the Interreg Europe SATSDIFACTION project which aims at

promoting the exchange and transfer of experiences related to the use of Satellite Data in local and regional Spatial Data Infrastructures. Other projects such as PROTECT-PCP, which is funded by Horizon Europe, are helping policy makers exploit earth observation data sources to respond to regional challenges linked to a variety of themes such as flooding, fire risks and city infrastructure planning.

To learn more about Innovation procurement you can read another Policy brief written by our Policy Learning Platform experts.

Other recommendations are described in the **JRC Technical report** on Scoping GovTech dynamics in the EU and can be summarised as follows:

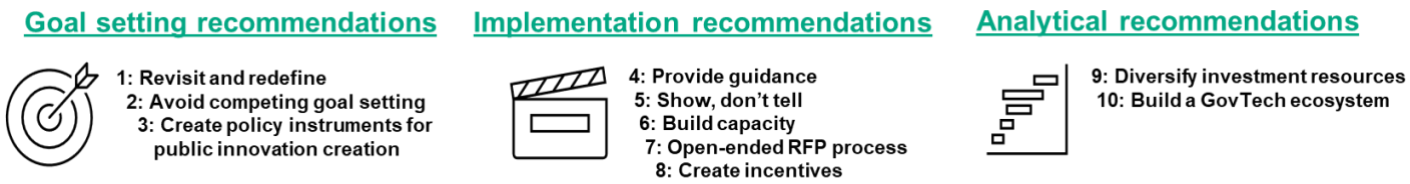

Figure 6 – Recommendations for setting up GovTech programmes. Source: the auhors, adapted from Mergel et al.

Digital transformation – successful practices

The following selection from Interreg Europe good practices database illustrates some of the interesting work being done by regional and local public authorities that tackle different challenges associated with digital transformation.

1. Enhancing efficiency of administrative procedures and accessibility for citizens

For easier citizen access and interaction, public authorities need **to effectively streamline administrative processes**, with a strong focus on **service design** to ensure these improvements are **user-centered and efficient**. To do so, it is imperative to **continuously gather citizen feedback** to inform iterative improvements, ensuring that digital transformation aligns with the evolving expectations and requirements of the people it serves.

GOOD PRACTICE 1: E-service development and implementation in Gävle, Sweden

The initiative underscores the ongoing necessity to enhance digital services. It spotlights the digitalisation unit within the IT and Development Department, charged with the Digital Renewal Programme and the development **of Gävle's e-services**. This initiative stresses the importance of **continuously refining existing e-services and creating new ones to meet evolving customer needs through regular engagement with end-users**. This best practice can serve as an inspiration for regions and municipalities in structuring their digitalisation units, aiming to consistently analyse and update their regional e-service offerings.

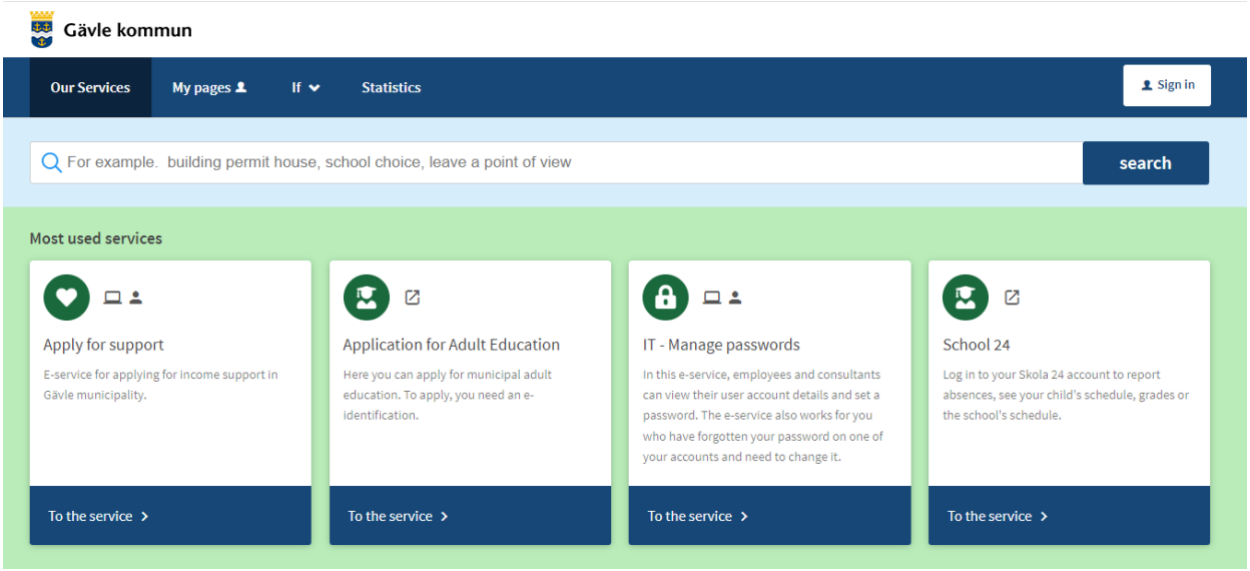

Image Source: Municipality of Gävle

Click here to find out more about this practice.

GOOD PRACTICE 2: Service design/design thinking in public services, Sweden

This good practice provides a framework for creating improved e-services using service design. It demonstrates Gävle's use of the Innovation Guide by SALAR, the Swedish Association of Local Authorities and Regions, to collaboratively develop e-service solutions with end-users. The methodology comprises six stages to aid the public sector in e-service development: **Define, Explore, Focus, Ideate, Prototype, and Realise**. It presents a comprehensive, **step-by-step approach** for enhancing the capabilities of digital units within the public sector across the European Union, fostering the creation of superior e-services. As evidenced in the practice, this methodology has been extensively adopted by BETTER project partners, proving its adaptability in various regional environments with differing levels of digital advancement.

Click here to find out more about this practice.

POLICY IMPROVEMENT 1

Citizen-oriented digital solutions can also contribute to **local economic development and territorial attractiveness**. For instance, thanks to collaborative efforts and sharing of best practices related to Service design in the BETTER project, the Municipality of Genoa (Italy) has achieved notable progress and improved its digital agenda.

The City adopted the design thinking approach presented by the Swedish partner in BETTER, regarding e-services design. This has resulted in the creation of a stable working group involving the City Council, the in-house company Liguria Digitale and investee companies for a simplified governance and improved cooperation. The new focus on end-users' needs also widely contributed to improving the accessibility of e-services. Thanks to the lessons learnt in BETTER, the City also developed the new project "Green and Phygital experience in Genoa" which aims to enhance territorial attractiveness of the City by promoting the local touristic offer with a **user centred approach**. One of the outputs of the project is the the Play Phygital app, which improves the tourist experience and promotes local shops.

2. Addressing the need for enhanced digital skills within public organisations

To encourage **continuous learning and upskilling** to keep pace with technological advancements, public authorities need to make use of innovative tools, services as well as training programmes. Moreover, conducting a **thorough assessment** of the **existing digital skills** could help identify specific areas where skills gaps exist.

GOOD PRACTICE 3: Digi, AI and ManuMaturity web tools for self-assessment, Finland

Digi, AI, and ManuMaturity are complimentary web tools developed by VTT (Technical Research Centre of Finland) and the University of Oulu, designed to assist **public and private organisations** in navigating digital transformation and progressing with the **adoption of AI solutions for Industry 4.0**. These tools, utilising multi-dimensional self-assessment questions (covering Strategy and Management, Products and Services, Competence and Cooperation, Processes, Data, and Technology), offer an **initial assessment of an organisation's technological maturity leve**l.

They also pinpoint potential areas for development and future roadmaps. In particular for the public sector, the tools are developed to also take into account ethical questions to be pondered when the decision-making shifts partly from humans to machines.

Currently available in English and Finnish for non-commercial self-evaluation, these maturity tools could expand their global reach through collaborations with international Research and Technology Organisations, **potentially including technical support in additional languages**.

Click here to find out more about this practice.

GOOD PRACTICE 4: Foundation Certificate in Artificial Intelligence for public servants, Ireland

Interreg Europe Co-funded by the European Union ENAIBLER

Image Source: Dept of public expenditure

The Foundation Certificate in Artificial Intelligence is a programme launched in 2021 to **leverage the digital skills of public servants** in Ireland by providing them with a specific 12-week training course on AI and emerging technologies (from tools and programming to ethics and project management). This good practice shows the importance to **engage public administration staff in the digital transformation of the public sector**. The resources needed can be easily covered by local governments (service provider for AI training costs), therefore this initiative is potentially transferable to other local authorities to strengthen their digitisation policies and strategies.

Moreover, this can also be part of more comprehensive training programmes for unlocking the potential of digital skills for public servants, also mutualised within different public authorities.

Click here to find out more about this practice

3. Fostering digital inclusion and adoption in remote areas

As mentioned earlier in the text, digital inclusion is an essential element for a successful process of digitalisation of public services. Remote areas often represent one of the most significant challenges for policy makers to ensure such inclusion, especially because the needs for digital transformation diverge significantly from those of urban areas. Tackling this challenge involves a comprehensive strategy, including the **expansion of broadband infrastructure and solutions**, customised training and information programmes to boost **digital literacy and awareness**, the development of digital services tailored to local needs, and initiatives that support **economic growth and stimulate entrepreneurship** in these communities.

GOOD PRACTICE 5: DigiMobil - innovative equipped vehicle for information on digitalisation, Germany

Image Source: Mecklenburg-Vorpommern

DigiMobil presents a novel mobile infrastructure designed to enhance **digital skills and improve digital literacy in rural areas**, initiated by the Region of Mecklenburg-Vorpommern in Germany. In these regions, many citizens lack the necessary digital literacy to effectively use digital tools, resulting in a digital divide between urban and rural populations. With the establishment of broadband infrastructures offering new possibilities for rural citizens, the well-equipped vehicle "DigiMobil" delivers training and knowledge, empowering residents to fully utilise digital technologies. Such initiatives are particularly pertinent in **rural areas with low digital literacy**, aiming to reduce digital disparities and divides.

Click here to find out more about this practice

GOOD PRACTICE 6: Donegal Remote Strategy, Ireland

Image Source: Donegal County Council

In response to the shift in the job market due to the COVID-19 pandemic, which has significantly increased **remote working**, the Irish Donegal County has devised a strategy to create an attractive environment for remote work. This strategy involves providing necessary infrastructures and a range of support services. Donegal aims to draw more residents who prefer remote working by **enhancing both digital and physical infrastructures**, and by offering cultural and social amenities, access to talent, and family support. This approach to drawing businesses and individuals to remote areas could be replicated in other EU regions that present a **conducive environment for remote working**, including lifestyle and natural amenities.

The success of this practice highlights the need for coordinated efforts by key stakeholders, with a special emphasis on the socio-economic development of remote areas and their communities.

Click here to find out more about this practice.

GOOD PRACTICE 7: Smart Villages, Italy

The Autonomous Region of Aosta Valley, as the leader of EUSALP Action Group, has launched an initiative to **adapt the smart city concept for rural Alpine municipalities**. Leveraging the solid collaboration among mountain communities and villages, this initiative advocates for the spread of ICT smart solutions in rural and mountainous regions. The action group plans to soon share the best practices developed as part of this strategy. This initiative could serve as a model for other rural and mountainous areas in Europe, **encouraging entrepreneurship and digitalisation** through the adoption of smart ICT solutions.

Click here to find out more about this practice.

POLICY IMPROVEMENT 2

Thanks to the interregional cooperation journey undertaken in ERUDITE, which main objective was to develop **innovative and appropriate digital services** to meet the needs of citizens, businesses and the public sector in both urban and rural areas, the Regional Council of South Ostrobothnia (Finland) initiated the EAFRD-funded project "**New moves in Suupohja's digital development**", aiming at finding new ways to improve the digital skills and competencies of residents in the Suupohja area, especially **exploring the models of FabLabs and Makerspaces** shared by the ERUDITE partners.

4. Procuring innovative digital solutions

Innovative public procurement can be used to design new services based on state-of-the-art digital technologies. This requires navigating a rapidly changing technological landscape to find tools that are both innovative and practical for implementation. Many policymakers may not be fully aware of the possibilities presented by innovation procurement or associated initiatives like GovTech, due to a **lack of expertise**. Some public authorities might also be **risk-averse**, preferring tried and tested methods over innovative but unproven digital solution. However, certain regions have emerged as pioneers, demonstrating their expertise, and sharing their experiences through interregional cooperation.

GOOD PRACTICE 8: Gov Tech Lab, Lithuania

GovTech Lab serves as a platform to assist public institutions in identifying their challenges and to engage startups and SMEs in devising innovative solutions to these issues. This initiative **boosts public-private cooperation** and encourages the **adoption of innovative services** within the public sector. The operation of GovTech Lab is structured into a **five-stage process**: (1) a challenge is presented by a public sector institution, (2) GovTech Lab assesses the challenge and initiates a competition to seek innovative solutions, (3) startups, SMEs, and entrepreneurs submit their innovative proposals in this competition, (4) GovTech Lab, in collaboration with the public sector institution and specialists, selects the most promising proposal, and (5) the selected private sector entities participate in the GovTech Incubator programme to refine and develop their innovative solution.

Click here to find out more about this practice.

GOOD PRACTICE 9: BroadWay project, Belgium

BroadWay is an H2020 research initiative focused on acquiring a pan-European broadband mobile system for Public Protection and Disaster Relief (PPDR) responders throughout Europe. The project's objective is to secure technologies at advanced Technology Readiness Levels (TRLs), representing a pioneering commercial system. This procurement is conducted in **three stages**: **Solution Design, Solution Prototype, and Pilot**, involving 11 procurement entities (governmental organisations) from 11 European member states. BroadWay provides national and regional policymakers with a **model for international and interregional procurement**, navigating complex regulatory frameworks while addressing a significant societal issue. Moreover, the BroadWay project underscores the necessity of robust governance and coordination among European member states in managing such intricate ventures.

Click here to find out more about this practice.

Learning from BEST DIH project

Interview with Álvaro Gil Vilaboba and Manuel María Paris Lestón, Axencia Galega de Innovación, Spain

Digital Innovation Hubs (DIHs) are at the forefront of catalysing the digital transformation of local public services, promoting collaboration and innovation through a "test before invest" approach. Their strategic role **strengthens the link between public services and technology providers**, enhancing efficiency and territorial innovation. Indeed, as DIHs are established by public bodies, they can even be considered public services themselves. The BEST DIH project delves into identifying the optimal funding mix to ensure these hubs can achieve self-sustainability, highlighting the role they play in the broader digital ecosystem.

Question 1: How public authorities play a pivotal role in delivering and funding Digital Innovation Hubs (DIH)?

Public bodies bear the responsibility for implementing regional development policies in the realm of digital transformation. The execution of these policies, as exemplified in Galicia through the **Smart Specialisation Strategy 2021 - 2027**, has resulted in the provision of **funding and resources** for the establishment and growth of strategic **Digital Innovation Hubs (DIHs)** and **European Digital Innovation Hubs (EDIHs)** in the region. Upon the establishment and service provision of these DIHs to SMEs, public authorities continue to **provide financial and operational support** until these hubs attain financial self-sustainability.

Question 2: What is the main policy challenge that BEST DIH is tackling?

Digitalisation holds significant potential to transform entire industries and value chains. However, SMEs in the EU seem less inclined to adopt these new technologies compared to larger companies. In response, the European Commission, through its **Digital Europe Programme**, has been promoting both DIHs and EDIHs, which are essentially the same type of organisation but operate at different levels. A key challenge for BEST DIH is to establish **support schemes that are effectively tailored to the needs of both EDIH and DIH**, aiming to enhance their autonomy and financial self-reliance.

Question 3: What would you recommend to other policymakers facing the same challenge?

Digitalisation, particularly the implementation of the Digital Innovation Hub (DIH) strategy, is a **relatively new subject lacking a standard or uniform solution**. For this reason, it could be highly beneficial for policymakers to effectively utilise the Interreg Europe programme. Through the execution of projects within this programme, regional governments can connect with other European regions facing similar challenges, fostering mutual learning and the development of tailored policy solutions. Additionally, the Policy Learning Platform repository provides a wealth of information on various initiatives and best practices, which can be instrumental in identifying solutions or ideas to enhance policies on digital transition.

Policy recommendations

Examples drawn from Interreg Europe projects, the broader Interreg Europe community, and significant European initiatives mentioned earlier, can serve as a **source of inspiration for many**, offering valuable insights for those keen to engage in developing digital solutions at local and regional levels. Below is a summary of key lessons from these experiences, presented as **policy recommendations and guidance** for policymakers.

- Embrace a fundamental rethinking of how public services are conceptualised, delivered, and experienced, focusing not just on adopting technology but also on **innovating service delivery methods** such as Design thinking.

- Encourage a culture of **continuous learning and adaptation** within local authorities to **keep pace** with technological advancements and emerging digital challenges. Utilise the resources of the Interoperable Europe Academy for engaging in comprehensive, advanced-level training sessions, where policymakers and experts from across Europe come together to share knowledge and insights.

- Establish a leading role in the application of **technology for social advancement**, concentrating on innovative services and solutions tailored to address the **needs of the communities**.

- Accordingly, implement **innovative public procurement strategies**, as exemplified by the iBuy project, to design new services based on state-of-the-art digital technologies.

- Additionally, **explore and set up GovTech programmes**, building on European Union's initiatives and research documents. Use the GovTech Connect Platform which serves as an information hub for the entire European GovTech marketplace. Use observatories like the Public Sector Tech Watch to monitor and disseminate the use of emerging technologies like Blockchain and AI within the public sector.

- Develop **AI-driven public sector projects,** like the ENAIBLER project, which assists public sector organisations in unlocking the benefits of AI for more transparent and ethical services.

- Prioritise policies and funding to **enhance connectivity in remote areas** and bridge the economic and social divide.

- Establish structured partnership programs through DIHs and EDIHs to facilitate direct collaboration and knowledge exchange between government entities and technology providers, ensuring that tailored digital solutions meet public sector needs effectively.

- Prioritise the implementation of **interoperable digital systems** to streamline public services. This can be achieved by aligning with the Interoperable Europe Act, which promotes collaboration and seamless functioning of public services across boundaries while maintaining sovereignty at all government levels. Navigating platforms like the Joinup platform, now evolving into the "Interoperable Europe Portal," can be beneficial.

- **Leverage the Interreg Europe Programme** to collaborate with other European regions facing similar challenges and learn from each other to develop tailored policy solutions.

Closing remarks

By embracing digital transformation in the public sector, local policymakers can **revolutionise the delivery of public services**, introduce innovative services, and **catalyse regional development**.

Moreover, this transformation **creates an opportunity to establish a dynamic framework that fosters interregional cooperation**. **New platforms and interoperability solutions** (such as Your Europe portal, Joinup platform) can facilitate collaboration between regions across EU Member States, enabling the exchange of insights, resources, and best practices. This interconnectedness serves as a means for **addressing shared challenges more effectively**, contributing to a Smarter Europe.

The **outlined policy recommendations** are the first steps towards a strategic roadmap for policymakers to **navigate this transformative journey**. By implementing these measures, policymakers can not only fortify the public sector against emerging digital challenges but also position themselves as pioneers in leveraging technology for societal benefit. The expected result is a public sector that not just meets the requirements of the digital era but excels within it, displaying **adaptability, responsiveness, and a commitment to improving the overall welfare of citizens**.

Furthermore, the Joint Research Centre has provided excellent examples of how transformative innovation policies should look, or should be governed in his report on Capacities for transformative innovation in public administrations and governance systems: Evidence from pioneering policy practice. The baseline characteristics of a transformative policy are highly relevant to conclude this Policy Brief and guide policymakers towards digital transformation, and can be summarised as follows:

Figure 7 – Key characters of a transformative policy initiative. Source: the authors, adapted from Janssen et al.

The above characteristics are well aligned to the objectives of the Interreg Europe programme, which emphasises innovation, sustainability, and regional development through cooperative efforts, experimentation, learning, forward-looking approaches, and stakeholder engagement. This alignment underscores the relevance of the Joint Research Centre's insights to Interreg Europe's mission, providing a valuable framework for **improving and implementing impactful policies** within the programme's scope.

The good practices and policy improvements featured in this policy brief are a good example of how targeted digital transformation initiatives can enhance public service delivery, foster more inclusive and participatory governance, through **innovative and citizen-oriented solutions** and **cross-cutting public policies**, additionally **engaging the private sector**.

Interreg Europe and other resources

Our experts provide a tailored set of resources, contacts, or in-depth analyses to help you find the answers you are looking for. Explore our services that can help you solve your regional policy challenges.

Interreg Europe Policy Learning Platform information

- Policy brief on Innovation Procurement
- Policy brief on Spaces for Innovation
- Policy brief on Digital Innovation Hubs and demonstrators
- Webinar recordings from GovTech and digitalising the public sector
- Webinar recordings from AI for local authorities and policymakers
- Webinar recordings from Digital Innovation Ecosystems
- Editorial on: Embracing the Future: The AI Act

Other sources

- Shaping Europe's digital future
- Interoperable Europe
- Digital Europe
- Interoperable Europe Academy
- EDIH Working Group on the implementation of Artificial Intelligence (AI) in Public Administrations
- Public Sector Tech Watch
- Enhancing the European Administrative Space (ComPAct)

Joint Research Center publications

- Exploring the impact of digital transformation on public governance - A community perspective
- Capacities for transformative innovation in public administrations and governance systems: Evidence from pioneering policy practice
- Impact of digital transformation on public governance
- Partnerships for Regional Innovation Playbook
- Scoping GovTech dynamics in the EU
- GovTech Practices in the EU
- DigComp

Selection of the new call one projects

Enabling AI-driven public sector

ENAIBLER brings together 8 partners from 5 EU regions, including regional and local authorities responsible of the policy instruments addressed and supported by development agencies and a university to work in the digital transformation of their area. Our project partners will assist public sector organisations to unlock the benefits of AI and the implementation of more open, transparent and ethical policies and services.

Boosting European DIH Success Through a new funding mix approach

The overall objective of the project is to improve the implementation of regional development policies in the field of digital transformation, thanks to the increased institutional capacities of the consortium partners. The implementation of these policies will take into account the key role that DIHs and EDIHs can play and ensure the coordinated delivery of funding between different administration levels.

Strengthening the availability and processing of Open Data to support local growth and urban transformation

OD4GROWTH project aims at working on this track: triggering the quality and quantity of data from one side, enhancing well-being and citizens quality of life with better public services, new applications and new products. The partnership is composed by institutions more experienced (Spain, Italy, Poland, France, Lithuania) on this topic and others (Greece, Hungary, Latvia) that need to be supported to increase availability and usability of Open Data.

Interreg Europe Programme

Interreg Europe is an interregional cooperation programme co-financed by the European Union. With a budget of 379 million euros for 2021-2027, Interreg Europe helps local, regional and national governments across Europe to develop and deliver better policies through interregional cooperation projects and its Policy Learning Platform services. The programme promotes good practice sharing and policy learning among European regions in 29 countries – the EU27, Norway and Switzerland. Interreg Europe contributes to the EU cohesion policy together with the other European Territorial Cooperation programmes known as Interreg.

Interreg Europe Policy Learning Platform

The Policy Learning Platform is the second action of the Interreg Europe programme. It aims to boost EU-wide policy learning and builds on good practices related to regional development policies.

The Platform is a space where the European policy-making community can tap into the know-how of regional policy experts and peers. It offers information on a variety of topics via thematic publications, online and onsite events, and direct communication with a team of experts.

Interreg Europe Policy Learning Platform expert services

Our team of experts provide a set of services that can help you with regional policy challenges. Get in contact with our experts to discuss the possibilities:

Via the **policy helpdesk**, policymakers may submit their questions to receive a set of resources ranging from inspiring good practices from across Europe, policy briefs, webinar recordings, information about upcoming events, available European support and contacts of relevant people, as well as matchmaking recommendations and peer review opportunities.

A matchmaking session is a thematic discussion hosted and moderated by the Policy Learning Platform, designed around the policy needs and questions put forward by the requesting public authority or agency. It brings together peers from other European regions to present their experience and successes, to provide inspiration for overcoming regional challenges.

Peer reviews are the deepest and most intensive of the on-demand services, bringing together peers from a number of regions for a two-day work session, to examine the specific territorial and thematic context of the requesting region, discuss with stakeholders, and devise recommendations.

Discover more: www.interregeurope.eu/policylearning

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