



The eFoodChain Action Workshop

copa*cogeca

Brussels

10/9/2013

*Dana Eleftheriadou
Policy officer
DG Enterprise and Industry
KETs and Digital Economy*



Why ICT matters

- ✓ ICT is key enabler of competitiveness and innovation;
- ✓ By 2016, the Digital Economy will reach 3.2 trillion Euros in the G-20 economies
- ✓ More than 75% of the value added created by the Internet is in traditional industries, due to higher productivity
- ✓ SMEs grow two-three faster when they embrace the Digital economy
- ✓ ICT creates jobs: for every job destroyed by the emergence of the Internet, 2.6 new jobs were created EU



The Challenges

- ✓ The first step for SMEs towards the Digital economy is to establish an online website; this is a good start, but not enough!
- ✓ Industrial value chains become increasingly sophisticated and global.
- ✓ New business trends creating opportunities and threats.
- ✓ Fragmented eBusiness environment: proliferation of incompatible business models and technological solutions
- ✓ SMEs that fail to connect, risk exclusion from the global digital supply chains
- ✓ The competitiveness of SMEs depends strongly on their capacity to connect better to larger business networks.

ICT opens up tremendous business opportunities.



Smart use of ICT and participation of SMEs in digital value chains: Objectives

- ✓ modernise industrial value chains harnessing ICT
- ✓ connect better SMEs to larger business partners
- ✓ facilitate SMEs integration into global value chains;
- ✓ enable SMEs to become international business partners;
- ✓ catalyse an innovative, seamless, digital business environment



Smart use of ICT and integration of SMEs in industrial value chains: Actions

- ✓ In the **fashion industry** (<http://www.ebiz-tcf.eu>)
- ✓ In the **transport and logistics sector – DiSCwise** (<http://www.discwise.eu/>)
- ✓ In the **automotive industry - Auto-Gration** (<http://www.auto-gration.eu/>)
- ✓ **TOURISMLink** (<http://www.tourismmlink.eu/>)
- ✓ **eFoodchain** (<http://www.efoodchain.eu/>)
- ✓ **Connect & construct** (<http://www.connectandconstruct.eu/>)



Smart use of ICT and integration of SMEs in industrial value chains: Actions

Altogether:

- ✓ A budget of € 12mn of the CIP programme
- ✓ Over 20.000 small enterprises have been involved.
- ✓ The added value is not limited to the number of direct beneficiaries;
- ✓ It mostly lies in the creation of new business models that can have a major impact in the real market.

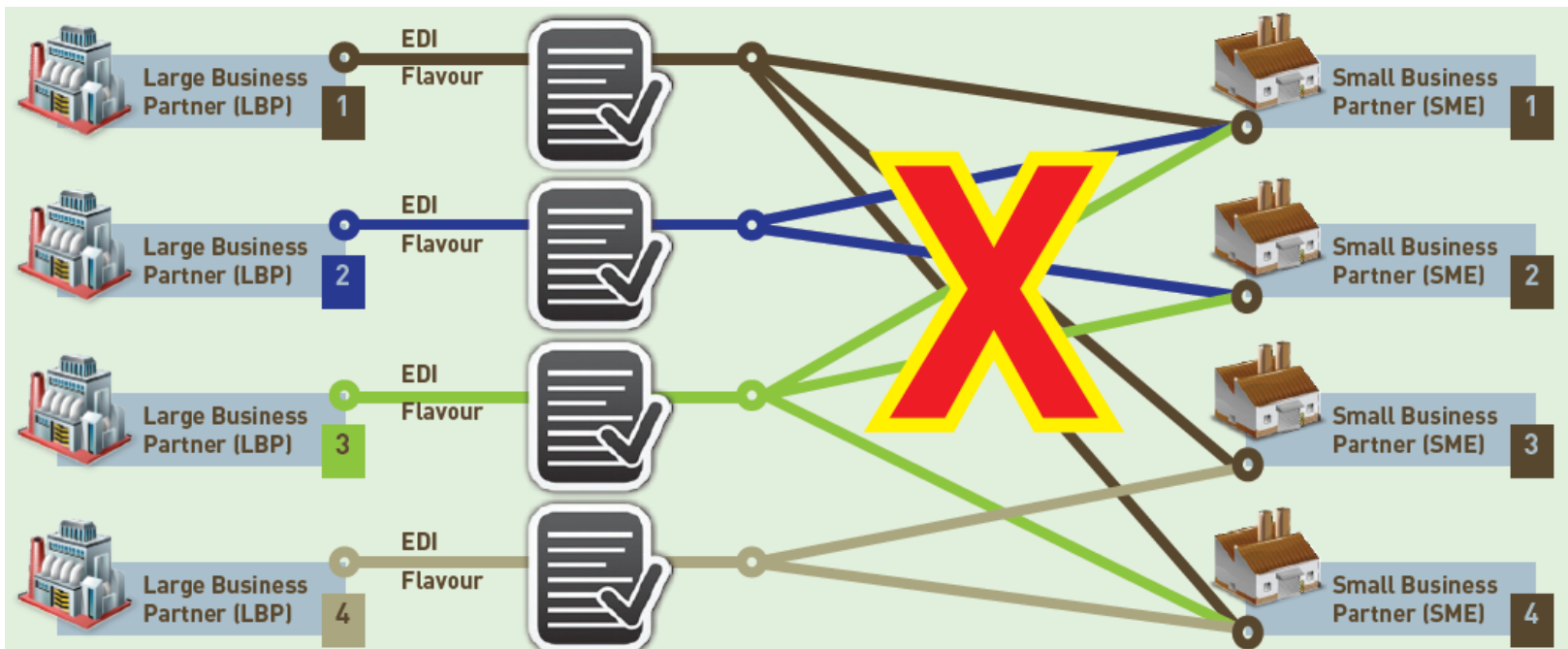


Main outcome: a Common Framework for interoperability

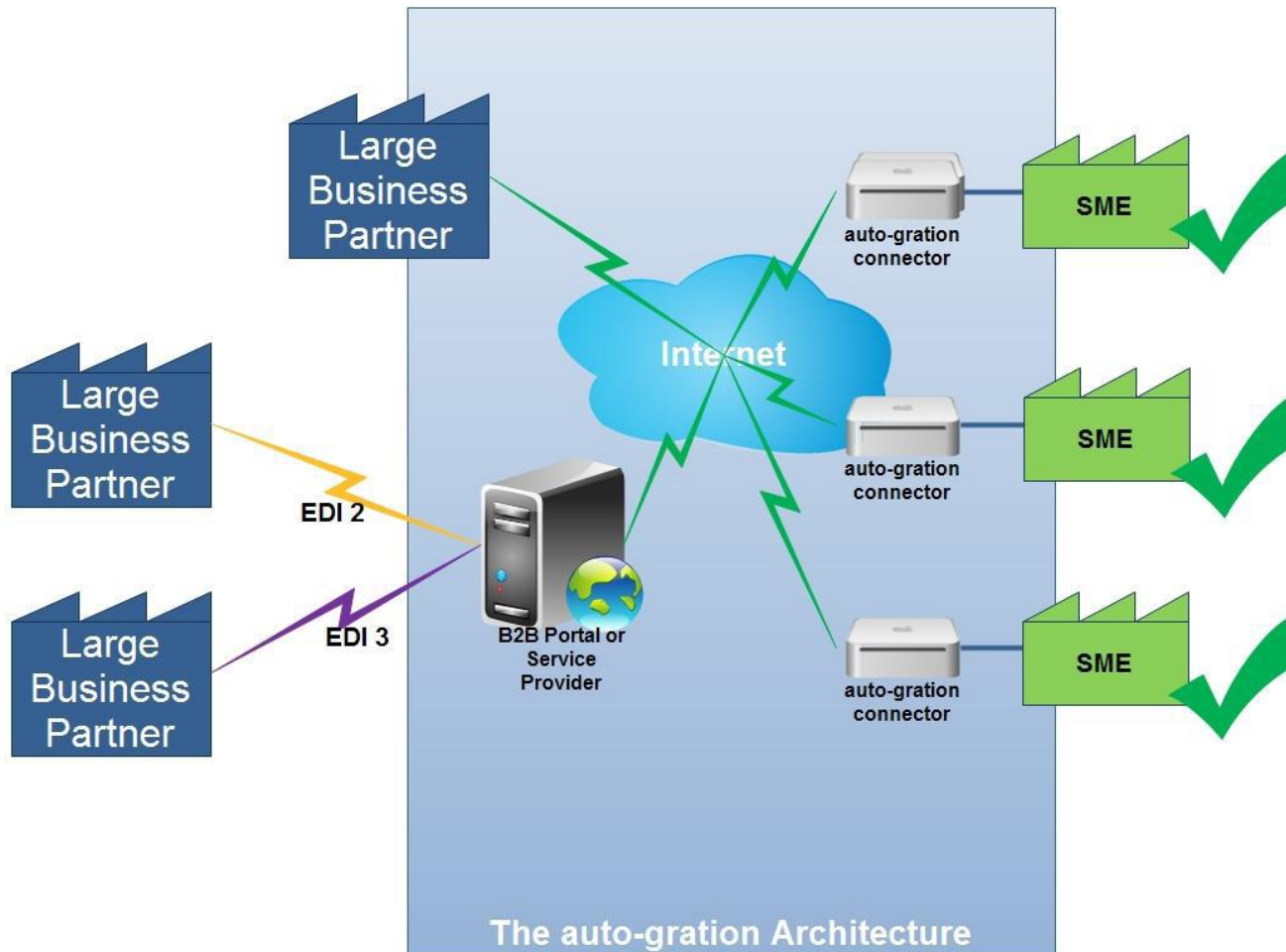
- ✓ Set the **principles and rules for interoperability** among business processes and data exchange models
- ✓ Allow for **seamless, paperless information and data flows** underpinning B2B transactions
- ✓ Demonstrate how to **achieve interoperability** among different ICT solutions, systems and infrastructures at cross-border level
- ✓ Based on **existing standardisation work** and on new technical specifications and processes, where gaps exist.

Typical example: SMEs integration in the supply chain

- ✓ Different large organisations often use different EDI systems
- ✓ Very few SMEs are connected, as costs are too high
- ✓ The existence of many ICT systems complicates business processes, reduces the base pool of potential customers and suppliers and increases costs



What will be:





Remarkable results

In the **automotive industry - Auto-Gration** (<http://www.auto-gration.eu/>)

- ✓ Easier entry to the market: low-cost, easy to use, interoperable solutions for supply chain integration: SMEs get connected in less than one day
- ✓ **80% cut** of manual data entry, fewer errors, lower operational costs
- ✓ **60-80% reduction in telephone and fax** inquiries for stock availability
- ✓ **50% costs reduction** associated with translation between different ICT systems
- ✓ **30% increase in staff productivity**
- ✓ **Business agility:** immediate information on products and their availability help to select best suppliers and quickly respond to customer needs
- ✓ **Wider market opportunities:** source from a larger network of suppliers, find new customers in new locations in Europe and beyond



Sound Public-Private Partnerships: follow-up by industry

- ✓ In the **fashion industry - eBiz** (<http://www.ebiz-tcf.eu>)
 - ✓ Followed-up by a CEN Workshop Agreement on eBusiness in the textile/clothing and footwear sector, issued in June 2013
- ✓ In the **automotive industry**:
 - ✓ MoU signed by major automotive and ICT industry stakeholders (led by CLEPA, FIGIEFA and ODETTE) to maintain, expand and promote auto-gration;
 - ✓ VDA issues official recommendation on Auto-Gration;
 - ✓ Volkswagen, BMW, Skoda Auto and Renault already explore implementing auto-gration for their SCM

Guide on "Boosting smart use of ICT by SMEs"



- ✓ Addressed to regional and national authorities with the objective to provide ideas and smart guidance to further foster “Smart use of ICT and the integration of SMEs in digital value chains”, at local/regional level, through an optimal exploitation of Cohesion policy funds.
- ✓ The objective is: Develop and implement concrete, hands-on support initiatives to promote the application of e-business concepts and facilitate the integration of small businesses in digital value chains”



Leveraging the integration of SMEs to global digital value chains

- ✓ Elaboration of a follow-up strategy on how to leverage visibility and uptake of the results of the EU initiative “Smart use of ICT and the integration of SMEs in digital value chains”;
- ✓ Effective networking with regional authorities and stakeholders to foster the full exploitation of the Structural and Innovation Funds;
- ✓ Identification and creation of a set of successful business cases and best practice examples for all specific sectors;
- ✓ Roll out of an awareness campaign to stimulate adoption among a critical mass of market stakeholders.



Thank you for your attention!

For more information:

http://ec.europa.eu/enterprise/sectors/ict/ebsn/digital_supply_chains/index_en.htm

Email: iordana.elftheriadou@ec.europa.eu