



ICT Innovation

Through its **EU4Digital initiative**, the European Union supports reforms and actions to favour the development of ICT research, start-ups & innovation ecosystems across the Eastern Partnership region, drawing from EU experience and best practices.

A key priority is to **develop ICT ecosystems**, crucial to leverage innovation for sustainable economic development, including **seed and venture funding, acceleration programmes, networking and clustering** and addressing the needs for specific **competences and**

skills. EU4Digital aims to contribute to the enhancement of such ecosystems to enable the growth of companies within the region, their contribution to GDP, export and workplaces, focusing on several key activities:



Setting in place a common **legislative framework** that favours ICT innovation, based on EU norms and best practices.



Developing a common framework for a modular **training package** (EdTech Hub programme) for SMEs and other stakeholders (policy makers, ICT innovation infrastructure organisations) in the Eastern partner countries.



Promoting the **networking of innovation ecosystem players** within the region and with the EU.



Extending **Start-up Europe networks and platforms** to include organisations from the Eastern partner countries.



Implementing **promotion campaigns** for raising awareness of the importance of ICT innovation and **increasing the participation of women** in the ICT innovation field.



Supporting the extension of the **Digital Innovation and Scale-up Initiative (DISC)** to the Eastern partner countries, and supporting high-tech start-ups by developing a **guidebook for ICT entrepreneurial ecosystem capacity building**.

Inadequate attention to innovation ecosystems leads to a brain drain and start-up drain from the Eastern partner countries to those countries with a better developed ICT ecosystem.

KEY POLICY AREAS FOR COMMON LEGISLATIVE FRAMEWORK

EU4Digital supported the partner countries in selected key policy areas for developing ICT Innovation:

-  ARMENIA **Intellectual property rights** management for digital innovations.
-  AZERBAIJAN New **organisational forms in support of ICT Innovation**.
-  BELARUS **Digitising industry (digital transformation of SMEs in traditional sectors)**.
-  GEORGIA **SMEs' access to finance** for digital innovation.
-  MOLDOVA ICT innovation **ecosystems for start-ups and scale-ups**.
-  UKRAINE **SMEs' access to finance** for digital innovation.

Why ICT Innovation matters

ICT Innovation is a driving force for socio-economic change. It equips countries with tools to reorganise and globalise their economies, achieve faster economic growth, create new jobs, raise living standards and reduce inequalities.



From 2013-2018, the **value added by ICT services** in the EU increased by almost

27%,

while the valued added by ICT manufacturing rose

31%.



The ICT sector is **currently one of most efficient of the EU economy:**

in 2017, the apparent labour productivity of the sector was

65.2%

higher than that recorded for the non-financial business economy as a whole.



The Eastern Neighbourhood countries have also seen a rise in the growth of the ICT sector: **ICT service export share in 2017** made up around

5%

of total exports and around

19%

of the service export in Belarus and Ukraine.

The average growth rate in the countries from 2012-2017 was around

6%,

showing potential for higher growth in the future.



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<https://eufordigital.eu/thematic-area/ict-innovation/>