






Welcome!

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WHO WE ARE

30 members

**Representing
more than
20,000 digital
SMEs across
Europe**

DIGITAL SME's members consists of national, supranational and regional associations and clusters.



WHO DO WE SPEAK FOR?

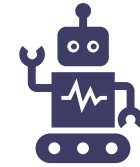
Our member SMEs



B2B software solution
providers



IT security providers



industrial AI developers

**DIGITAL
ENABLERS**



data- and IoT-specialised SMEs



IT consultants

DIGITAL SME Focus Group on AI



Launched together with the **European Commission's Joint Research Centre (JRC)**.

Understand the **adoption, use, and impacts of AI and related** technologies (robotics, automation in general, machine learning, etc.) on SMEs over time.



Working together to **develop statements and position papers on AI from the perspective of SMEs.**

SME Focus Group on AI

Members



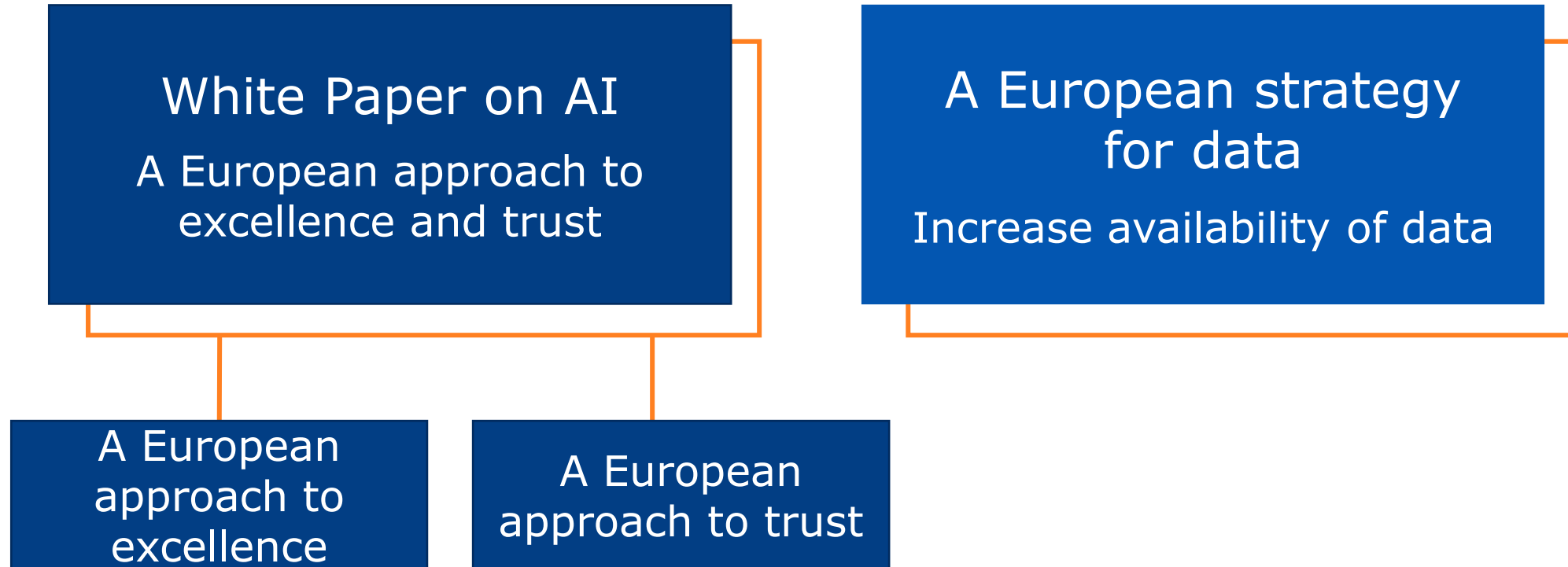
What is at stake for Europe and SMEs?



- Europe is lagging behind: **€3.2 billion were invested in AI in Europe** in 2016, compared to around €12.1 billion in North America and €6.5 billion in Asia.
(Source: 10 imperatives for Europe in the age of AI and automation, McKinsey (2017))
- Using advanced disruptive technologies, such as blockchain and Artificial Intelligence (AI), can **dramatically boost SME competitiveness and enhance efficiency.** *(Source: An SME Strategy for a sustainable and digital Europe - COM/2020/103 final)*

The European Commission's approach to AI:

Strategies for AI and data launched in February 2020



Source: EC Presentation given by Lucilla Sioli at SBS ICT Forum 2020

The European Commission's approach to AI:

Research & Funding



BUDGETS & INVESTMENTS

Over the past three years, **EU funding for research and innovation for AI has risen** to €1.5 billion under H2020, which represents a 70% increase.

A budget of €2.5 billion is planned to **help spread AI** across the European economy and society as part of the **Digital Europe Programme** under the new MFF.



OBJECTIVES

Investments in AI research and innovation foreseen under the **Horizon Europe programme**.

Better access for public authorities and businesses to **AI testing and experimentation facilities** in Member States.

Barriers to AI adoption

Identified by DIGITAL SME Focus Group on AI

BARRIERS

- Access to finance
- Access to data
- Finding skilled personnel

DRIVERS

- Improving predictions
- Decision making support
- Internal resource optimization

Innovation in AI by the SMEs in the focus group is largely **driven by internal R&D** (sometimes the initial research of the founder(s), customers, and users, and to a lesser extent academic research)

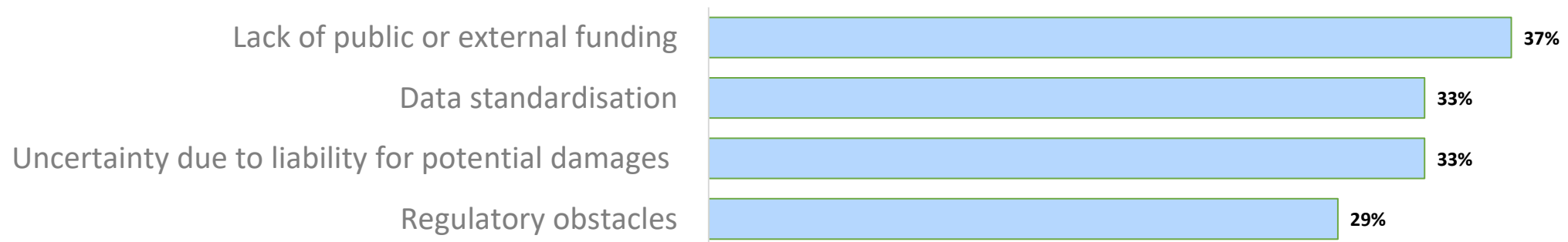
Barriers to AI adoption

EU-wide enterprise survey

Internal Barriers To AI Adoption



External Barriers To AI Adoption



Lack of public/external funding is perceived as the **major barrier** by micro, small and medium enterprises.

What do we propose?

Main suggestions raised by AI-leading SMEs

RULES AND LEGISLATION

Clear rules and legal certainty for SMEs harmonised across Europe. But **no over-regulation** that kills innovation!

DATA AVAILABILITY

Create and develop a **European data ecosystem** around well-defined use cases and a competitive data economy.

FINANCIAL POLICIES

A favourable tax regime, fiscal benefits to support SMEs and **investment and funding for AI-based technology** solutions.

STANDARDIZATION


Provide a level-playing field that allows **companies to scale**. **Standards can set the fair grounds** for an economy that enables competition and innovation.

INTEGRATED APPROACH

An AI strategy must go hand in hand with a **cybersecurity strategy and an industrial internet of things (IIoT)** strategy (i.e. a "triple helix").



Thank You

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