



Structural Funds and Building of the Knowledge Society in Eastern Europe

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Krynica, 8 September 2006



Knowledge Based Economy – Introduction (1/3)

- **Knowledge Based Economy** incorporates all sectors of manufacturing and services, which are based on, **knowledge which people possess**, and **knowledge which people have put into computers** (e.g. computer software, digital content, portals, other data itp.) „Based on knowledge” means knowledge being the major value making factor
- **Electronic economy** means wide use of digital products and services to undertake business transactions between firms, public administration and citizens
- Digital products and services are **based on knowledge**, **because their value** depends on the content of knowledge.



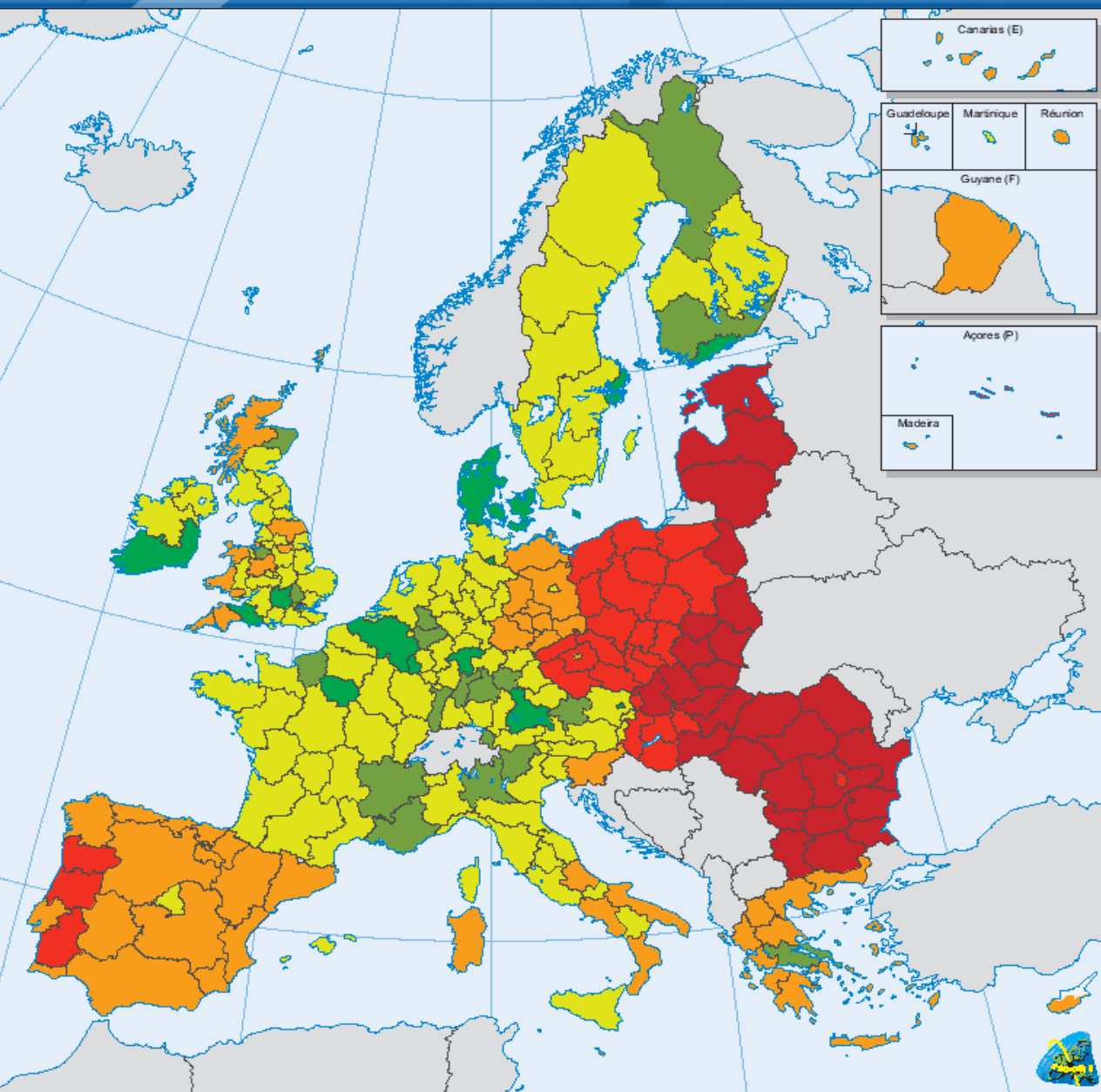
Knowledge Based Economy – Introduction (2/3)

- On the market of services, those which mainly contain intellectual **routine** work, humans will be gradually eliminated and **replaced by computers**.
- The **ITC training** is becoming a **key issue for every profession**, it will become a part of basic knowledge similar to the skill of reading and writing.
- It is extremely important that people possess plenty of **Valuable Knowledge** and know how to use this knowledge for successful economic activity



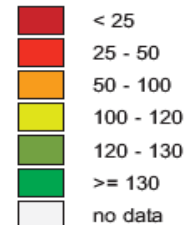
Knowledge Based Economy – Introduction (3/3)

- The Electronic Economy and Knowledge Based Economy should have a **preferred status in government policy** instead of giving priority to declining, energy consuming sectors like mining. Such a policy is addressed to secure the future of the young generation
- It is essential for the **future of the young generation** to build an economy build on knowledge, this is especially true for poorer regions like Eastern Poland



GDP per person employed (EUR), 2001

Index, EU25 = 100



BE, NL: NUTS0

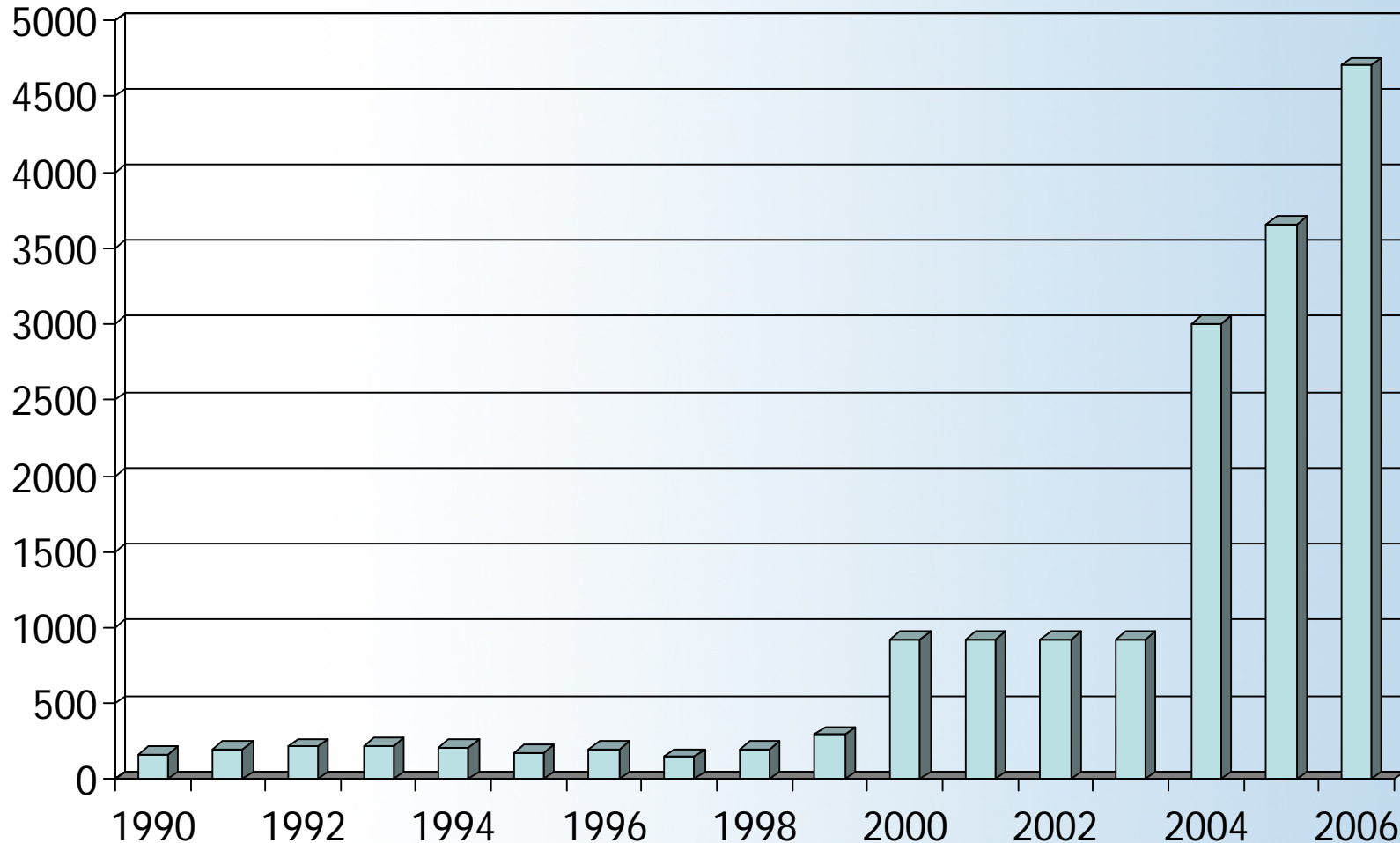
Sources: Eurostat and National Statistical Offices

0 100 500 km

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EU support for Poland so far ... (m €)

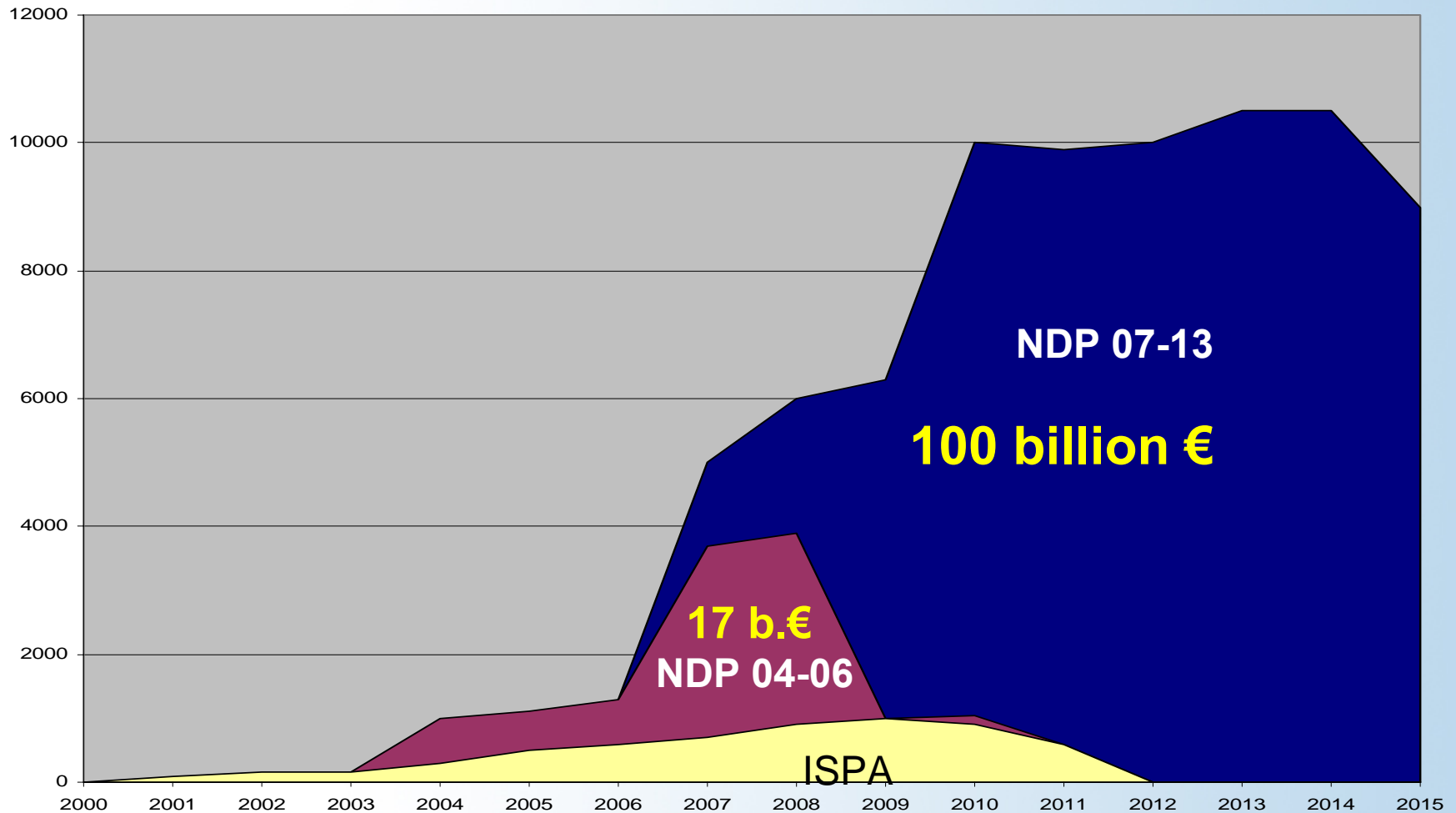




millions €

EU Structural Financing for POLAND

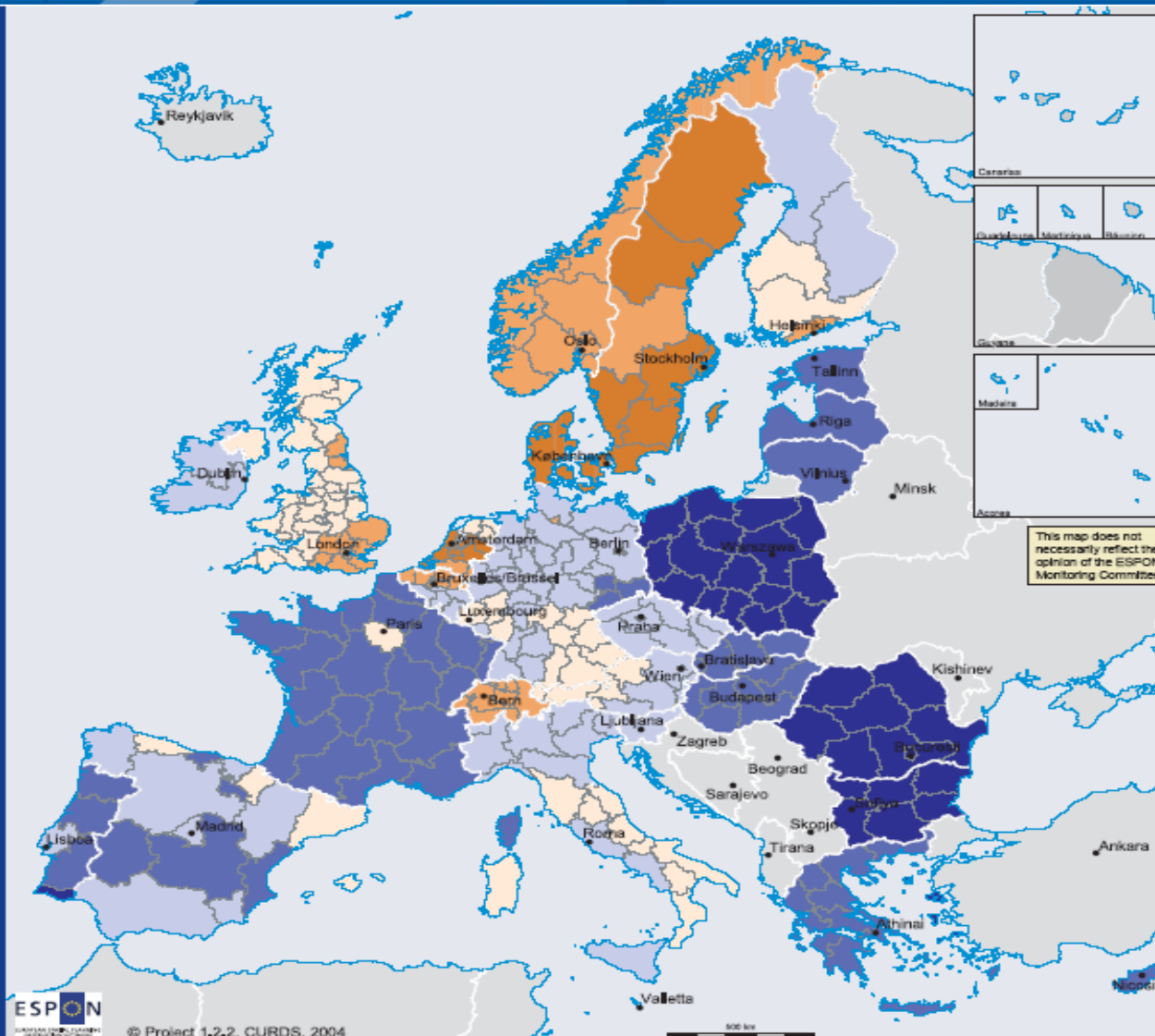
data: EU Commission 2005





Division of Funds 2007-2013

Operational Programme	Allocation (mln EUR)	Share of allocation
Regional OP	15 985,5	29%
Eastern Poland OP	2 161,6	4%
Teritorial Cooperation	576,0	1%
Infrastrucutre	21 275,2	38%
Human Capital	8 125,9	15%
Competative Economy	7 004,9	13%
Technical Assistance	216,7	>1%



Use of ITC in EU Member States

Level of telecommunications uptake

- very high
- high
- moderately high
- moderate
- low
- very low
- no data

The map focuses on households, combining fixed telephones, mobile phones, PC access, internet access and broadband internet access.

This map does not necessarily reflect the opinion of the ESPON Monitoring Committee

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Origin of data: CURDS

Source: ESPON Database



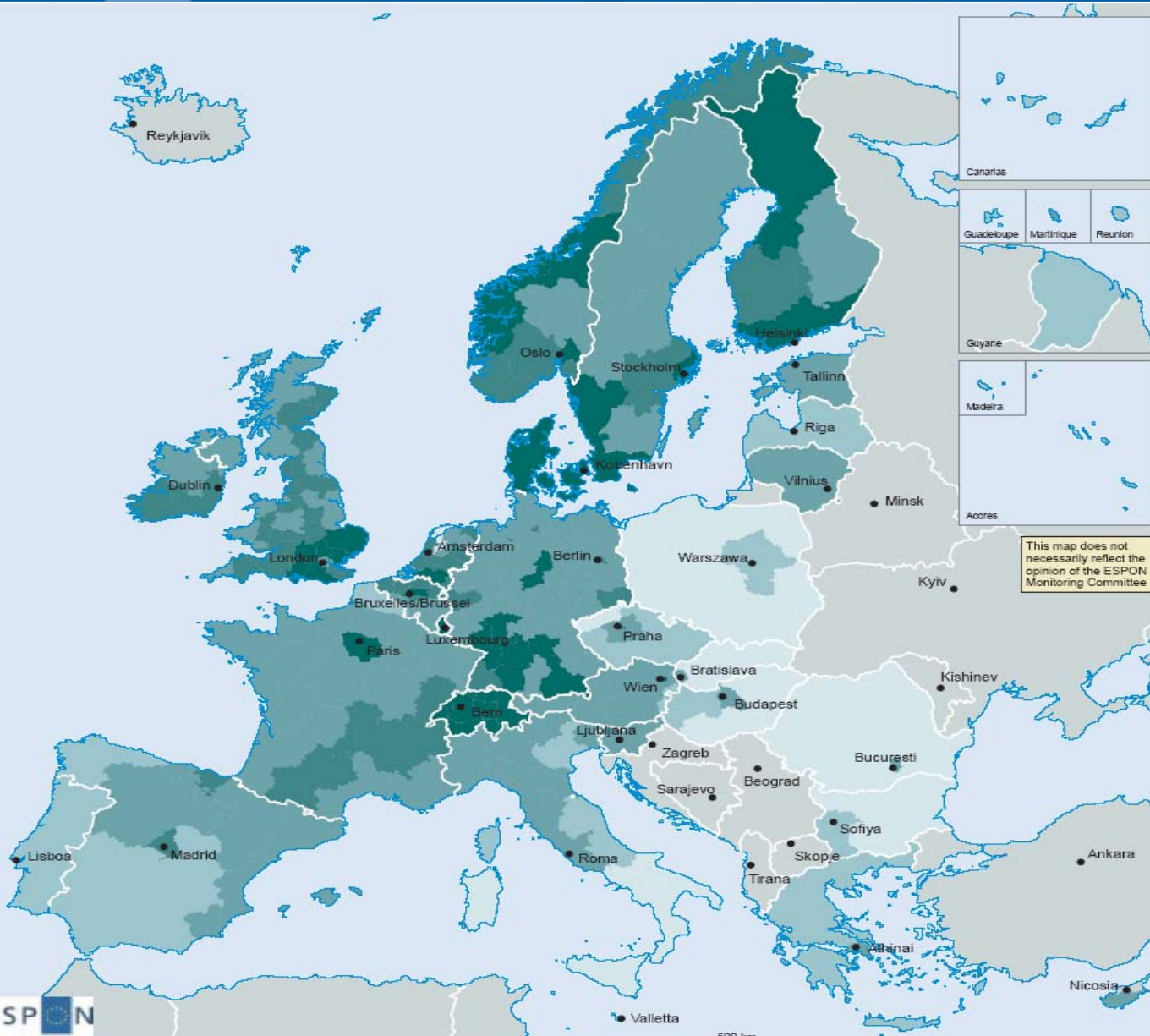
Poland: *World Technology Report*

Networked Readiness Index Rank

Year (number of countries)	Rank
2005 (104) 38	
2004 (104)	72
2003 (102)	47
2002 (82)	39



Implementation of Lisbon Agenda in EU Member States



This map does not necessarily reflect the opinion of the ESPON Monitoring Committee

Degree of regionalised Lisbon performance as an aggregate of 5 indicators:

- Productivity (GDP per person employed 2002) +
- Employment rate (Employed population / population aged 15-64 2003) +
- Expenditure on R&D (Expenditure on R&D / Total GDP 2001) +
- R&D Business Enterprise Sector (BES R&D personnel per 1.000 active person 2001) +
- High educated population (Highly educated population / total educated pop. 2002) +

- Below average
- Moderately below average
- Average
- Moderately above average
- Above average



eGovernment Readiness Index 2005: 25 leading countries (out of 104)

	<i>Country</i>	<i>Index</i>
1	United States	0.9062
2	Denmark	0.9058
3	Sweden	0.8983
4	United Kingdom	0.8777
5	Republic of Korea	0.8727
6	Australia	0.8679
7	Singapore	0.8503
8	Canada	0.8425
9	Finland	0.8231
10	Norway	0.8228
11	Germany	0.8050
12	Netherlands	0.8021
13	New Zealand	0.7987
14	Japan	0.7801
15	Iceland	0.7794
16	Austria	0.7602
17	Switzerland	0.7548
18	Belgium	0.7381
19	Estonia	0.7347
20	Ireland	0.7251
21	Malta	0.7012
22	Chile	0.6963
23	France	0.6925
24	Israel	0.6903
25	Italy	0.6794

*UN Global e-Government Readiness
Report 2005 - From e-Government to
e-Inclusion*

19. Estonia

21. Malta



eGovernment Readiness Index 2005: Ranks 26 - 60

*UN Global e-Government Readiness
Report 2005 - From e-Government to
e-Inclusion*

Rank	Country	E-government readiness index
26	Slovenia	0.6762
27	Hungary	0.6536
28	Luxembourg	0.6513
29	Czech Republic	0.6396
30	Portugal	0.6084
31	Mexico	0.6061
32	Latvia	0.6050
33	Brazil	0.5981
34	Argentina	0.5971
35	Greece	0.5921
36	Slovakia	0.5887
37	Cyprus	0.5872
38	Poland	0.5872
39	Spain	0.5847
40	Lithuania	0.5786
41	Philippines	0.5721
42	United Arab Emirates	0.5718
43	Malaysia	0.5706
44	Romania	0.5704
45	Bulgaria	0.5605
46	Thailand	0.5518
47	Croatia	0.5480
48	Ukraine	0.5456
49	Uruguay	0.5387
50	Russian Federation	0.5329

POLAND



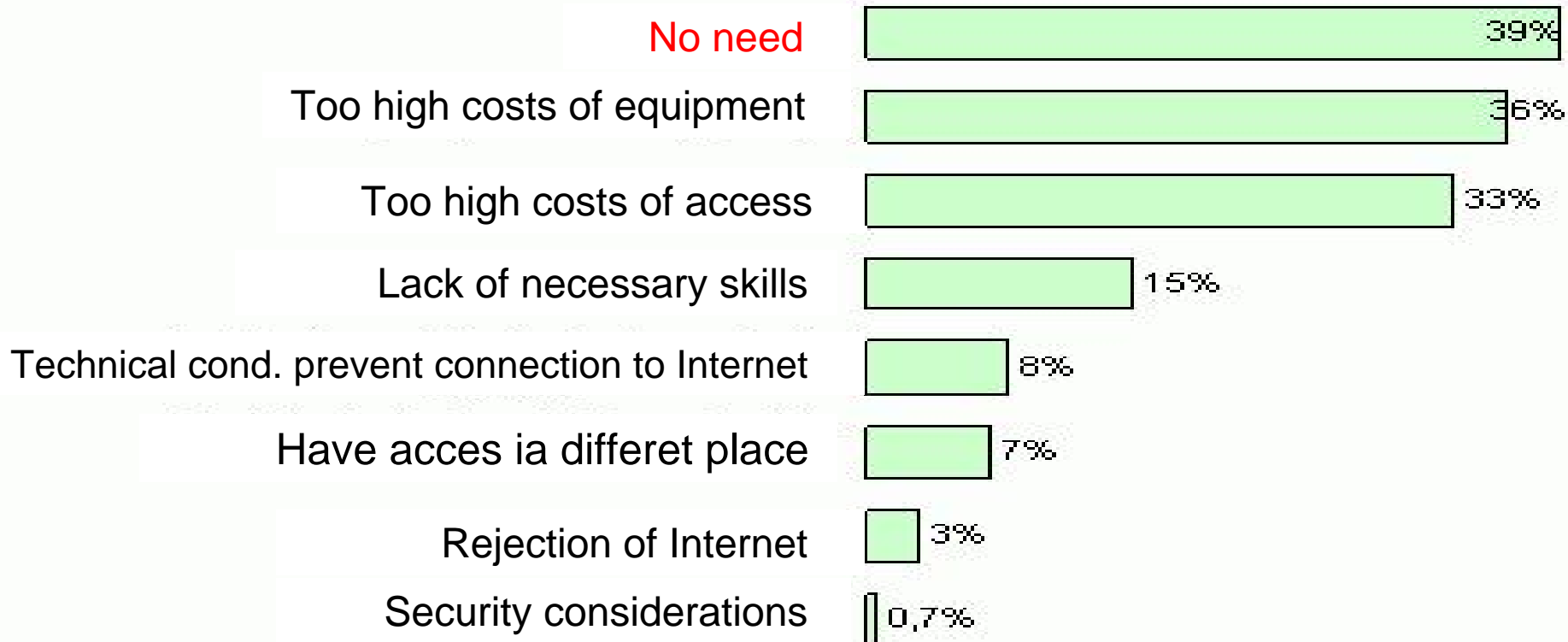
	Country	Index 2005	Global Rank in:		Change
			2005	2004	
1	Denmark	0.9058	2	2	0
2	Sweden	0.8983	3	4	1
3	United Kingdom	0.8777	4	3	-1
4	Finland	0.8231	9	9	0
5	Norway	0.8228	10	10	0
6	Germany	0.8050	11	12	1
7	Netherlands	0.8021	12	11	-1
8	Iceland	0.7794	15	14	-1
9	Austria	0.7602	16	17	1
10	Switzerland	0.7548	17	15	-2
11	Belgium	0.7381	18	16	-2
12	Estonia	0.7347	19	20	1
13	Ireland	0.7251	20	19	-1
14	Malta	0.7012	21	21	0
15	France	0.6925	23	24	1
16	Italy	0.6794	25	26	1
17	Slovenia	0.6762	26	27	1
18	Hungary	0.6536	27	33	6
19	Luxembourg	0.6513	28	25	-3
20	Czech Republic	0.6396	29	28	-1
21	Portugal	0.6084	30	31	1
22	Latvia	0.6050	32	39	7
23	Greece	0.5921	35	36	1
24	Slovakia	0.5887	36	37	1
25	Poland	0.5872	38	29	-9
26	Spain	0.5847	39	34	-5
27	Lithuania	0.5786	40	43	3
28	Romania	0.5704	44	38	-6
29	Bulgaria	0.5605	45	41	-4
30	Croatia	0.5480	47	48	1
31	Ukraine	0.5456	48	45	-3
32	Russian Federation	0.5329	50	52	2
33	Belarus	0.5318	51	58	7
34	TFYR Macedonia	0.4633	69	97	28
35	Bosnia and Herzegovina	0.4019	84	93	9
36	Albania	0.3732	102	110	8
37	Republic of Moldova	0.3459	109	106	-3

eGovernment Readiness ranks of EU Member States

UN Global E-government Readiness
 Report 2005 - From E-government to E-
 inclusion

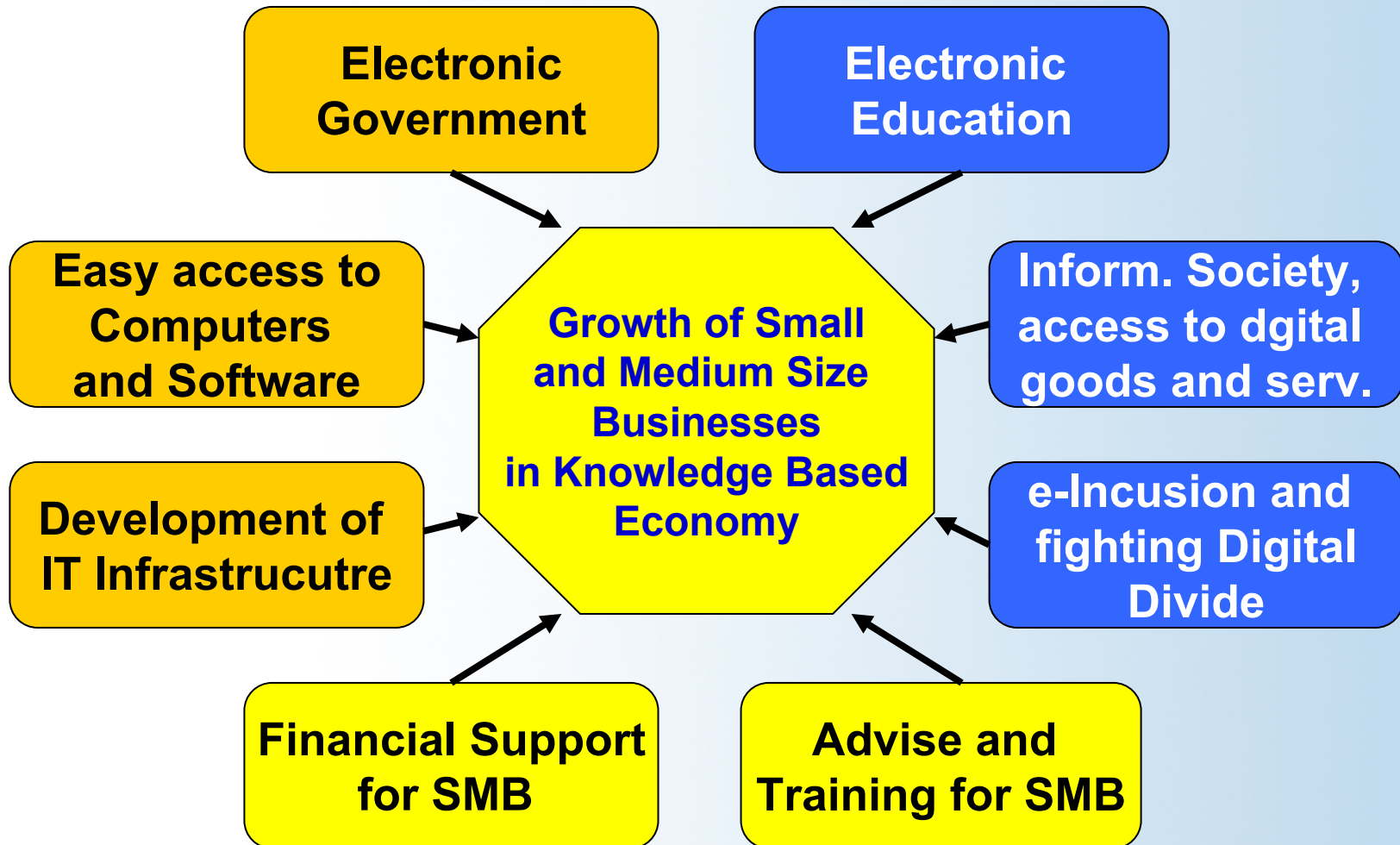


Why did Poles **NOT** use Internet in 2005 ?





Knowledge Society versus Social and Economic Development





Knowledge Society versus Social and Economic Development





We need the New EU Member Countries to be **included** into the process of achieving a Knowledge Society build on **Knowledge Based Economy**

WE NEED:

- True understanding for **Knowledge Based Economy** as a bases for building Knowledge Society
- Strong **focus** and **coordination** of programmes and projects to work towards achieving this.
- Strong focus on **Structural Funds** in New Members States
- **Good practices** from other countries
- **Networking** and permanent, Europe-wide cooperation



**Thank you for your
attention !**