



UfM Conference on Digital Transformation and Digital Skills for the Future

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Tallinn, Estonia

Welcoming Remarks by UfM Secretary General, H.E. Nasser Kamel

Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

I am very pleased to welcome you all to this landmark event of the Union for the Mediterranean, being the first UfM Conference fully dedicated to Digital Transformation and one of the very first UfM activities to take place in a Baltic State. I sincerely thank the Ministry of Foreign Affairs of the Republic of Estonia for the excellent support that we received from you as we collaborated on the preparation of this Conference, and I extend my gratitude to our partner, the German GIZ, commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ).

I am also honored to share this podium with a young leader that embodies the youthful spirit and the tech-savvy nature of the Estonian people, H.E. Urmas Reinsalu, the Minister of Foreign Affairs of Estonia.

As you would know, we are at the perfect place to celebrate this Conference. Estonia is a global digital leader that we can all learn



from, and this comes as no surprise even though it remains to raise many eyebrows. I say it comes as no surprise because the Estonian track record with new technologies is long and impressive: Estonia was the first nation to declare Internet access a basic human right, the first to institute online voting, and as a National Geographic article puts it: The “E” in Estonia might as well stand for “electronic”.

Why electronic? Why digital? Because the Fourth Industrial Revolution is here; its disruptive technologies are already a game-changer both to those who adopt them in terms of gains and efficiencies, as well as to those who fail to adopt them in terms of opportunity costs. We live in the Age of the Cloud, an age of String Theories, Higgs Bosons, Big Data, Internet of Things and Biomimicry. Digitalization is at the crux of all the new technologies, and we are not lacking in striking statistic:

- By the end of 2019, 40% of local and regional governments in the EU will use the Internet of Things to turn infrastructure such as roads, streetlights, and traffic signals from liabilities into assets. In Barcelona where the UfM Secretariat is based, the city uses the Internet of Things to optimize urban systems and enhance citizen services. To date, it has saved \$95 million annually thanks to this digital technology.
- 20.4 billion devices around the world will be connected to the Internet of Things by the coming year (2020).



- By 2027, another digital technology, namely the blockchain technology, could store as much as 10% of global Gross Domestic Product (GDP).
- Meanwhile, worldwide spending on digital transformation technologies is estimated to amount to \$1.3 trillion in 2018, up 16.8 percent from the \$1.1 trillion spent last year. It is expected that for the current year, this number will rise even further.

The present is digital, and even more so the foreseeable future. And what does this mean in terms of labor market dynamics? According to the European Commission, in the future, 9 out of 10 jobs will require digital skills. 44% of Europeans between 16 and 74 years do not have basic digital skills. The gap is alarming, and the time to act is now.

The education system should be no stranger to Digital Transformation. Mobile phone applications, cloud computing, augmented and virtual reality technologies, as well as elements of gamification should all find their way into education, inasmuch as e-solutions found their way into modern governance.

In the digital age, harnessing and mainstreaming new technologies can no longer be considered a matter of choice, but rather a matter of fact for any country that seeks smart and sustainable growth like Estonia, and like many other countries that followed suit. There is a need for a change in the mindset:



We need to see technology as a revenue-driver rather than an overhead.

Digital Transformation and Digital Skills go hand-in-hand, and they comprise the two thematics of today's conference. So, without further ado, I would like to wish you a day of fruitful discussions and inspiring exchanges, and I am glad to tell you that the event does not end today, because the UfM Secretariat will reflect on the recommendation emanating from the Conference with a view of integrating them into our coming activities and initiatives, fulfilling our role as a unique platform of regional dialogue for our Member States and our peoples.

Thank you