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



IT security providers



Al developers



less access to talent & funding



B2B software solution providers



data- and IoT-specialised SMEs





< 50 m revenue

< 250 (DE: 500) employees

agile & innovative





IT consultants



A network of Al innovators in Europe

The focus group forms a network of Al innovators in Europe that will develop joint activities and positions.



Focus Group on Artificial Intelligence

An initiative together with the European Commission's **Joint Research Centre**





DIGITAL SME Focus Group on AI

https://www.digitalsme.eu/european-focus-group-on-artificial-intelligence/

Limmat provides technological

solutions for digitalising

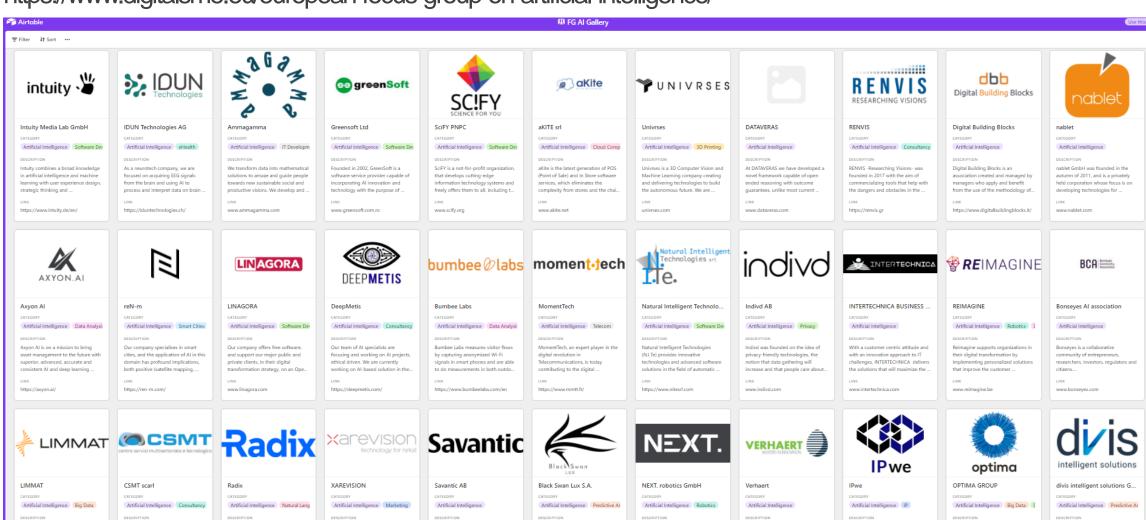
We are actually developing different

projects on IoT, agriculture 4.0 and

We're committed to helping Belgian

and European companies adopt AI in

technological solutions for retail.



We are a spin-off of the University of

Luxembourg and our work is based

NEXT, robotics is a distribution and

development company for advanced

We already deliver a great number of

Al-related solutions in the domains of

IPwe leverages the power of artificial

intelligence, data mining, and

Optima Group is a private equity

company offering integrated software

We give you the skills you need to

divis is active in the field of machine

learning, predictive analytics, and Al

DIGITAL SME Focus Group on Al

https://www.digitalsme.eu/european-focus-group-on-artificial-intelligence/



Barriers to Al adoption Identified by DIGITAL SME Focus Group on Al



BARRIERS

- Access to finance
- Access to data
- Finding skilled personner

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)

What is at stake for Europe and SMEs?



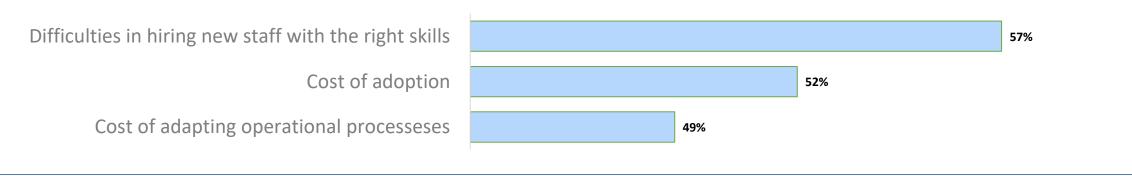
- EU has the **lowest AI venture capital funding in nominal** value (EU \$2.8 BIL vs. CN \$13.5 BIL vs. US \$16.9 BIL)
- Using advanced disruptive technologies, such as blockchain and Artificial Intelligence (AI), can dramatically boost SME competitiveness and enhance efficiency. (Source: An SME Strategy for a sustainable and digital Europe - COM/2020/103 final)

Barriers to Al adoption

EU-wide enterprise survey



Internal Barriers To Al Adoption



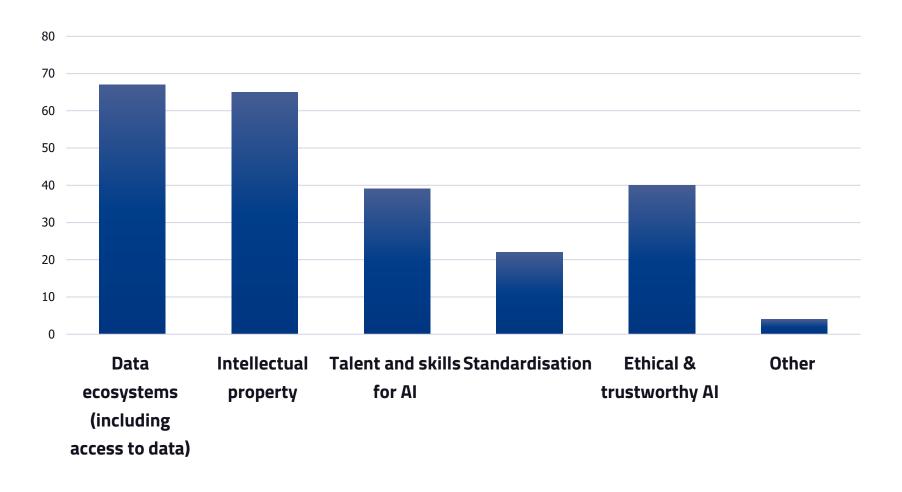
External Barriers To AI Adoption



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

DIGITAL SME Focus Group on Al

What is important for SME AI innovators in 2021?



What do we propose?

Main suggestions raised by Al-leading SMEs



RULES AND LEGISLATION

Clear rules and legal certainty for SMEs harmonised across Europe. But **no over-regulation** that kills innovation! Provide a level-playing field that allows **companies to scale**. A **regulatory framework** and **policy measures need to be fit for innovation and SMEs**.

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.

FOCS ON ALIN SECTORS

Innovative digital SMEs and start-ups **embedded in sectors and verticals where domain knowledge is combined with AI** are those which are truly valuable, and in those areas Europe can still compete.

