Projecting European adoption trends in key digital technologies under model uncertainty

We propose an econometric modelling framework aimed at explaining past trends in the penetration of digital technologies in European regions that can be used to provide projection scenarios for policy relevant variables. Our modelling strategy assesses model uncertainty explicitly and is aimed at identifying the main drivers of differences in broadband access, daily internet use, international e-commerce and e-government penetration across European NUTS2 regions. Several economic and population based indicators were found to robustly correlate with these variables. Our benchmark projection results indicate that the historical convergence trends in variables related to the access to digital technologies (broadband and internet use) are expected to continue, but that, in the absence of particular policy impulses, the digital divide existing in international e-commerce and e-government penetration could be more persistent over time.