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Data protection

EU: Lead MEP presents preliminary conclusions on NSA inquiry

- In its **preliminary conclusions** on the **NSA inquiry** tabled by lead **MEP Claude Moraes** (S&D, UK), the European Parliament's Civil Liberties Committee stated that the Parliament should only give its consent to a **trade deal with the US that makes no reference to data protection**. The draft conclusions have also called for a swift creation of an EU data storage cloud and judicial redress for EU citizens to protect their data in the US.
- As for the **safe harbour**, the draft calls on the European Commission to suspend the provisions of the agreement and to negotiate a new one that would guarantee appropriate data protection standards. The draft also calls for the development of an **EU cloud** which would offer protection for EU citizens' data, while representing a potential economic advantage for EU businesses in the field.
- The conclusions welcome the Commission's proposal for an **EU-US data protection framework agreement** that is expected to be effective as of spring 2014.
- MEPs will now have the opportunity to table amendments to the draft resolution. It will be put to the vote by the Civil Liberties Committee at the end of January and Parliament as a whole on 24-27 February.

EU: Kroes supports pseudonymised data, under certain conditions

- In a **speech** at a data protection congress held by the International Association of Privacy Professionals Europe, Neelie **Kroes**, the **EU Digital Agenda Commissioner** stated that companies should be able to process **pseudonymised data without consent** where they have a 'legitimate interest' in doing so.
- The approach is said to bring a positive difference to **big data**, while safeguarding the required levels of privacy. Companies processing the pseudonymised data would be required to demonstrate that their **internal processes and risk assessments** comply with data protection rules.
- Under the draft regime, there would be a presumption that processing of pseudonymised data meets the reasonable expectations of businesses' customers. The individuals would have a right to object to such activity, while businesses would have to explicitly inform the individuals of the legitimate interests they intend to pursue and of their rights to object.

EU: DP Supervisor presents priorities for 2014

- The **European Data Protection Supervisor** (EDPS) has published a **paper** on its strategic **approach to legislative consultations in 2014**.
- The main focus is linked to the **2014 Work plan of the Commission** and covers the following themes: data protection; rebuilding trust in global data flow in the aftermath of PRISM; initiatives to bolster the economic growth and the Digital Agenda; further development of the Area of Freedom, Security and Justice; financial sector reform and taxation.

Germany: NSA leaks undermine trust in government's online services

- According to a study by the Institute for Public Information Management, 67% of German respondents said that **lack of data security** discouraged their use of e-government services. This figure is a sharp contrast to last year's results where only 4% of respondents voiced similar concerns.
- The awareness of **NSA surveillance** has been identified as the main rationale behind the increasing portion of the population reluctant to use the Internet for certain purposes (e.g. tax declaration).

Cybersecurity

EU: ENISA publishes a report on the European cybersecurity month

- **ENISA**, the European Network and Information Security Agency has published a **final report** on the **European Cyber Security Month (ECSM)** that took place in October. The report provides information on the ECSM deployment, activities and stakeholder model of engagement.
- The report has underlined that for future editions of the cybersecurity campaign, activities should be structured around three pillars: **development of a stable model of coordination**; **enhancing content of the ECSM**, by encouraging private-public common activities; and **improving international coordination**.

Copyright

Italy: Site-blocking law will come into effect

- **AgCom**, Italy's communications watchdog has **approved the new copyright regulation** that gives it the power to block access to certain websites. The measure that has been widely criticised for imposing an excessive economic burden on ISPs will come into effect on 31 March 2014.
- The regulation gives AgCom the power to **request websites, domain names or IP addresses be blocked following a copyright holder request**, without court authorisation. Under the fast track procedure (12 days), **ISPs only have two working days** to comply with AgCom's decision. In case of non-compliance, ISPs could risk a fine of up to €250,000.
- While the entertainment industry praised the regulation, some lawyers and activists have warned that by speeding up the process, the new regulation could pave the way for **unfair verdicts** and **threaten the freedom of expression**. A challenge to the legitimacy of the regulation is to be logged in front of Italy's highest administrative tribunal by ISP association **Assoprovider**.

General

Italy: Any firm operating online could be obliged to set up a taxable entity in the country

- In Italy, an **amendment** to the proposed budget bill could require companies using Internet for sales to set up a taxable entity in the country.
- The so-called **web tax**, also known as the Google tax, is intended to address the practice by many larger Internet companies of headquartering their companies in a European country with a low corporate tax rate. This results in companies paying little or no tax in a number of major European markets.
- Italy, which has been particularly hit by the crisis, considers this measure a way to raise up to €1billion in new taxes. The proposal is said to help Italian online start-ups to operate in an environment that is considered advantageous for large international companies.
- But, the **proposal has been criticised** by several associations, including the association for SMEs, which underline that if Italy acts alone, this could result in the country being penalized more heavily in comparison to other countries. Legal analysts have argued that such a proposal would most likely not pass EU scrutiny.

EU: Over 60% of Europeans use the Internet daily

- With **79% of households having access to the internet** in 2013, the use of Internet is widespread amongst the EU population. Concretely, over **62% of individuals use Internet every day** or almost every day. On the other hand, **21% of individuals** reported in 2013 that they **have never used the Internet**.
- Some **41% of individuals** across the EU used the Internet to **interact with public authorities** or services. The main reasons for this interaction reported by **e-government users** were income tax declarations (44%).
- Based on the numbers by the European statistical office, the level of Internet access broadly collides with the number of users using it to interact with the public authorities.

Germany: Internet is crucial for the country's economy

- In Germany, Internet drives the growth of the economy by one quarter and it needs to stay so, underlined eco, the Association of the German Internet Industry, in a recently published paper that calls for more **strategic significance for Internet policy** in order to prepare Germany for the gigabit society.
- Olivier Sùme, Vice Chairman and Director Policy and Law at eco underlined the new German government's attention to Internet policy concerns. He stressed that the new government should focus on developing an overall concept for a "**Digital Agenda Germany**" both collectively and cross-departmentally, because the Internet drives Germany's growth as a functioning industrial location.
- Amongst others, eco asks for broadband expansion and **net neutrality** on the national level and improvement of IT security, the European data protection and the Internet governance on the international level.