

ISOC European Regional Bureau Newsletter

28 June – 4 July 2014

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Data protection/Cloud computing

EU: Commission publishes communication on data-driven economy

- On 2 July, the European Commission published a **communication** entitled *Towards a thriving data-driven economy* which sketches the features of a **data-driven economy** and sets out some conclusions to support and accelerate the transition towards it. Activities in the field of cloud computing are also comprised in the document.
- EC estimates big data technology and services will grow worldwide to almost 17 billion USD by 2015 at a compound annual growth rate of 40%. Due to the complexity of the current legal framework and insufficient access to large data sets, the **European digital economy has been slow in embracing the data revolution**. In order to be able to seize the opportunities of the data economy, the EU will support lighthouse data initiatives and development of enabling technologies.
- As regards **data protection**, the Commission reiterated it will **enact effective data protection and network security**, to build trust necessary for a data-driven economy.
- The Commission proposed the creation of a **public-private partnership** which should develop incentives to share datasets between partners and facilitate knowledge and technology transfers. The Commission confirmed that a proposal on a partnership has been tabled by the industry. If evaluated positively, the **partnership could be launched by the end of 2014**. The communication identified digital entrepreneurship and skills as equally important for the establishment of a digital-driven economy.
- As for the development of the right framework conditions, **fostering open data policies** is among the main **factors enabling availability of data and interoperability**. A pan-European open data digital service will provide a one-stop shop to open data across the EU, the communication said.
- With regards to infrastructure, the communication underlined the importance of **cloud computing**. The steering board of the **European Cloud Partnership** recently published a **Trust Cloud Europe** report (TCE). A subsequent survey indicated support for effective mechanisms ensuring **European data sovereignty in the cloud**. In response to the TCE report, the Commission will consult on a package of **policy actions by 2015**. The Commission will also seek Member States' support for an interconnected network of **data processing facilities**.
- With regards to **data control**, the Commission will launch **consultation** on the concept of user-controlled cloud-based technologies for storage.
- As for **data location requirements** that limit the cross-border flow of information, thus representing a barrier to a single cloud computing and big data market, the communication confirmed that the Commission will study the barriers and consider future policy actions.

Copyright infringement

EU: Kroes calls for copyright reform and welcomes IPR action plan

- **Speaking** at the Institute for Information Law in Amsterdam on 2 July, EU Digital Agenda Commissioner **Neelie Kroes** underlined the need for a reform of the **EU copyright framework** and highlighted that the reform should be balanced between creators and the justified interests of society.
- Kroes stressed **four main principles** that a sound EU copyright system should be aiming at: promoting creativity and innovation; remunerating and rewarding creators; enabling digital single market, and taking into account the needs of society. However, in her opinion, the current EU copyright framework is fragmented and outdated. Therefore, decisive steps should be taken in Europe without any delay. What Kroes called a **pragmatic reform of copyright** should ensure a cross-border access to content online, harmonise exceptions and guarantee flexibility.
- On 1 July, the European Commission adopted a **Communication on an Action Plan aiming at renewing the consensus on the enforcement of Intellectual Property Rights (IP)**. The aim of the Action Plan is to re-orientate intellectual property enforcement towards a better compliance of IP rights by all economic actors. Rather than penalising the citizen for infringing IP rights, the proposed actions pave the way towards what the Commission called a “follow the money approach”, **focusing on large-scale commercial infringements**. The objective of the Action Plan is to pursue **non-legislative measures**, under existing powers. While welcoming the adoption, Commissioner Kroes stated that this approach cannot stand alone and must be accompanied by a significant copyright reform.
- Commenting on the action plan, **La Quadrature du Net** warned that it is using some of the **major concepts of the ACTA** agreement that the European Parliament rejected in 2012. **La Quadrature** stated that the plan suggests an increased implication of technical intermediaries in the copyright enforcement and threatens to include non-commercial online sharing activities.

General

EU: Digital single market completion presents important benefits

- The European Parliament has published the second edition of its research paper entitled **Mapping the cost of non-Europe, 2014-2019**. One of the chapters on EU policy areas deals with digital single market.
- According to the study's preliminary results, a deeper and more integrated digital market in areas such as e-commerce or cloud computing could raise EU GDP by over €656 billion euro per year. But, the **regulatory complexity** suggests that the full potential would take time to realize. Therefore, for the purpose of analysis, the paper retains a more cautious figure of €340 billion.
- Currently, **EU digital space is marked by fragmentation**. The most serious impediments relate to, among others, e-privacy, e-payments and data protection, the paper underlined.
- With regards to the current functioning of the single market, the Parliament deplored the **poor implementation or late transposition of existing directives** by Member States. The European Council acknowledged the economic benefits the completion of a digital market would bring and called for the **adoption** of the proposed overhaul of the **EU data protection framework** and **Cybersecurity Directive** as essential for the digital market completion by 2015.

EU: Activities of digital companies should be monitored with care, Almunia

- In a **speech** delivered at the **Chatham House Competition Policy Conference 2014**, EU Competition **Commissioner Almunia** spoke about the interplay between competition policy and public policies in digital markets.

- Referring to the ongoing **Google investigations**, Almunia stated that **EU public policy should pursue two main objectives**: creating the best conditions for digital industries to flourish in Europe and preventing the potential risks that powerful platforms pose for businesses and users.
- Speaking about broader context of **digital economy**, Almunia said that companies in digital industries should also **be monitored with care** for activities that are not related to antitrust, such as **corporate taxes, data privacy, copyright, and net neutrality**.