

INDUSTRY PARTNERSHIP CONTRIBUTION TO THE SPANISH PRESIDENCY DIGITAL EUROPE STRATEGY

Executive Summary

Europe faces immense challenges in the coming decade – the financial crisis and slowed economic growth, climate change, an aging population and displaced workforce among them. At the same time, this is also a moment of tremendous opportunity. The recent adoption of the Lisbon Treaty, combined with Europe’s long political and cultural history, the diversity of Europe’s citizenry and the innovativeness of its industries, mean that the European Union is well-placed to overcome the challenges that confront us.

The ICT sector in figures:

- Europe’s ICT sector accounted for a total revenue of €718 billion in 2008 (EITO). 40% of productivity growth is due to the ICT sector.
- Broadband based innovation has the potential to create up to one million additional jobs and a related growth of economic activity of €849 billion by 2015 (MICUS).
- Europe ICT sector represents more than 6 million employees (The 2009 report on R&D in ICT in the European Union)
- The ICT sector accounts for more than € 35 billion expenditure in R&D (The 2009 report on R&D in ICT in the European Union)

Information and Communications Technologies (ICTs) will play a key role in Europe’s ability to move forward into the future. Deployed properly, ICTs can help to reduce carbon usage and promote sustainability, can support better delivery of public services to all Europeans, can create jobs and equip Europe’s workforce for the 21st century economy, and can enhance Europe’s ability to compete in the global marketplace.

To that end, we encourage the EU to prioritise and take action in the following key areas:

- Productivity and growth: Europe’s future competitiveness depends to a large extent on its ability to facilitate widespread take-up of ICT in both the public and private sectors. To achieve this objective, ICT should be made a centrepiece of Europe’s 2020 Strategy; achieving this **objective** will also require measures to remove barriers to the exploitation of pan-European networks and services by businesses of all sizes; to expand European eSkills and mobility; to fulfil the potential of the single market for services both on-line and offline; to encourage private sector R&D and ensure that public sector R&D can be efficiently leveraged; to enhance the competitiveness of European SMEs; and to embrace technology neutrality in standardisation so that all ICT players can contribute to producing the best possible products and services.
- Sustainability: The application and diffusion of ICT is essential to reducing CO₂ emissions and achieving Europe’s ambitious climate change objectives. Necessary steps to achieve this include support for projects that demonstrate ICT’s role as an enabler of energy efficiency; incentives to encourage green procurement; and mechanisms to encourage ICT product and service providers to “go green”.

- *Creative Content in the Digital World. In order for consumers to enjoy the benefits of the digital environment, the EU needs to develop a true Digital Single Market that would remove barriers and allow industry to develop and offer a variety of legitimate digital content business models. Accordingly,, while recognizing the importance of copyrights for financing content creation, fragmented licensing systems and burdensome, outdated copyright levies regimes must be overhauled and greater transparency and accountability of collecting societies must be promoted.*
- **Trust:** In order for e-commerce, e-government, e-health and other e-services to flourish, users must have trust in the Internet. To achieve this trust requires, among other measures, a harmonised regime that protects consumers across the EU's 27 member states under a coherent system of rules; robust data privacy protections, including a balanced and workable mandatory breach notification system and improved cooperation among government agencies, industry and privacy organizations; and strengthened security, achieved by incentivising R&D into security technologies, promoting the development of security best practices; and strengthening public-private partnerships.
- **Participation for all:** ICT has brought innumerable social and economic benefits to people across Europe. To ensure that all Europeans can participate meaningfully in a Digital Europe, measures must be taken to enhance eAccessibility; Enable access to the information society for all - through widespread commercial deployment of broadband using different yet complimentary technologies to achieve maximum coverage and–consumer benefits, where necessary financed by public resources rather than a sectoral levy and always subject to full observance of Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks; and promote the availability of e-government, e-health and e-education services throughout the EU-27; and to improve digital literacy.
- **Trade/Market access (to be updated):** To remain competitive, European ICT providers must have full and fair access to the global marketplace. ICT/telecoms goods and services should remain a priority in EU trade negotiations at WTO and bilateral level; markets worldwide must be required to comply with their WTO obligations, including those imposed under TRIPS; where possible, the ITA agreement should be improved; and national measures that favour domestic innovators (such as China's recent "indigenous innovation" proposal) should be resisted.
- **Reduction in administrative burdens:** In order for e-services to flourish, inefficient and unnecessary administrative barriers to the provision of e-services and national differences that obstruct EU-wide deployment of these services must be eliminated. This includes removing excessive red tape on broadband network deployment; avoiding sector-specific fees and levies that impede consumer uptake of e-services; and eliminating duplicative tax obligations on e-service providers.

Working in partnership, industry and the EU can leverage ICTs to promote European growth and competitiveness, in the process building an inclusive knowledge-based society with access for all and a true European Digital Single Market.

In addition to the issues explored above, the ICT industry unanimously agrees that competition and investment in high speed broadband networks and services provide the foundation on which Digital Europe can flourish and it is essential for European policy-makers to address this issue. However, the broad range of interests represented in this group complicates the provision of specific recommendations on the appropriate policy mix in this area. We have therefore, despite its importance, not covered this issue in this report.

Introduction/Foreword

We, the industry representatives of the European Digital Economy welcome the opportunity provided by the Spanish Presidency of the EU to deliver an “Industry Declaration on Europe’s Future Digital Agenda”. Our Declaration provides informed and constructive proposals for the elaboration of the European Union Digital Agenda. In particular, our contributions can be relevant to the Spanish Presidency calendar of policy initiatives and events including the Granada Action Plan.

The substantial contribution of ICT to Europe’s economy and society is widely recognised and growing with the sector accounting for total revenues of 718 billion euro in 2008 (EITO) and providing more than six million jobs across the EU (MICUS). It is estimated that broadband based innovation has the potential to create up to one million additional jobs and a related growth of economic activity of 849 billion euro by 2015 (MICUS). Put simply ICT underpins economic activity across the European Union and has a significant impact on our society, making a major contribution to growth, productivity, and job and wealth creation. It also has a key role to play in reducing carbon emissions and improving energy efficiency across all sectors of the economy.

The overarching theme of our Declaration is the importance to Europe of leveraging the potential benefits of ICT to a maximum, so that European industries, consumers, and the region as a whole can reap the full benefits. Realising this potential will help Europe stay at the forefront of the global economy. A key component to this success will be a commercial and public policy environment that ensures vibrant competition and encourages investment and innovation in networks and services.

Widespread broadband connectivity will play a critical role in the success of Europe’s post i2010 strategy. As representatives of the ICT industry we unanimously agree that that competition and investment in high speed networks and services will provide the foundation on which the new Digital Agenda is built. However the broad range of interests represented in this group complicates the provision of specific recommendations on the appropriate policy mix that specific area. Our Declaration focuses instead on seven key strategic themes for which we agree both the ends, and the means. These are:

- **Productivity and growth:** Europe’s future competitiveness depends to a large extent on its ability to facilitate widespread take-up of ICT in both the public and private sectors. To achieve this objective, ICT should be made a centrepiece of Europe’s 2020 Strategy; achieving this objective will also require measures to remove barriers to the exploitation of pan-European networks and services by businesses of all sizes; to expand European eSkills and mobility; to fulfil the potential of the single market for services both on-line and offline; to encourage private sector R&D and ensure that public sector R&D can be efficiently leveraged; to enhance the competitiveness of European SMEs; and to embrace technology neutrality in standardisation so that all ICT players can contribute to producing the best possible products and services.
- **Sustainability:** The application and diffusion of ICT is essential to reducing CO₂ emissions and achieving Europe’s ambitious climate change objectives. Necessary steps to achieve this include support for projects that demonstrate ICT’s role as an enabler of energy efficiency; incentives to encourage green procurement; and mechanisms to encourage ICT product and service providers to “go green”.

- ***Creative Content in the Digital World*** - *In order for consumers to enjoy the benefits of the digital environment, the EU needs to develop a true Digital Single Market that would remove barriers and allow industry to develop and offer a variety of legitimate digital content business models. Accordingly,, while recognizing the importance of copyrights for financing content creation, fragmented licensing systems and burdensome, outdated copyright levies regimes must be overhauled and greater transparency and accountability of collecting societies must be promoted.*
- **Trust:** In order for e-commerce, e-government, e-health and other e-services to flourish, users must have trust in the Internet. To achieve this trust requires, among other measures, a harmonised regime that protects consumers across the EU's 27 member states under a coherent system of rules; robust data privacy protections, including a balanced and workable mandatory breach notification system and improved cooperation among government agencies, industry and privacy organizations; and strengthened security, achieved by incentivising R&D into security technologies, promoting the development of security best practices; and strengthening public-private partnerships.
- **Participation for all:** ICT has brought innumerable social and economic benefits to people across Europe. To ensure that all Europeans can participate meaningfully in a Digital Europe, measures must be taken to enhance eAccessibility; Enable access to the information society for all - through widespread commercial deployment of broadband using different yet complimentary technologies to achieve maximum coverage and–consumer benefits, where necessary financed by public resources rather than a sectoral levy and always subject to full observance of Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks; and promote the availability of e-government, e-health and e-education services throughout the EU-27; and to improve digital literacy.
- **Trade/Market access:** To remain competitive, European ICT providers must have full and fair access to the global marketplace. ICT/telecoms goods and services should remain a priority in EU trade negotiations at WTO and bilateral level; markets worldwide must be required to comply with their WTO obligations, including those imposed under TRIPS; where possible, the ITA agreement should be improved; and national measures that favour domestic innovators (such as China's recent "indigenous innovation" proposal) should be resisted.
- **Reduction in administrative burdens:** In order for e-services to flourish, inefficient and unnecessary administrative barriers to the provision of e-services and national differences that obstruct EU-wide deployment of these services must be eliminated. This includes removing excessive red tape on broadband network deployment; avoiding sector-specific fees and levies that impede consumer uptake of e-services; and eliminating duplicative tax obligations on e-service providers.

Progress in all these areas is needed if we are to achieve a truly sustainable European knowledge economy and society. This Declaration highlights each area's importance, sets out the corresponding challenges and obstacles, and recommends what tasks government can undertake to help meet the challenges and overcome the obstacles.

Working in partnership with government we can boost European productivity; leverage ICTs to promote sustainable growth; build a true European Digital Single Market for content; inspire trust in the online environment; deliver an inclusive knowledge society based on participation for all; boost the roll out and take up of key eServices; and secure a fair deal for European ICT in the global market.

The combined effects of progress in each of these areas will be to leverage and embrace the digital opportunity and to put ICT at the service of Europe's citizens, economy, society and environment.

1.1 Productivity and growth – ICT supporting European industry

Leverage broadband connectivity amongst Europe’s businesses and industry / fulfil the potential of the single market/ boost R&D

Importance and Challenges

Europe’s future competitiveness and its ability to recover from the current economic crisis depend to a large extent on its capacity to facilitate widespread and effective deployment of ICT in businesses. A key challenge is how to translate the take up of broadband, online technologies and ICT into increased productivity, real economic growth. Businesses, large and small need to better exploit the value-added that can be unlocked from broadband connectivity, when combined with appropriate services and applications. In principle, the knowledge-based services which account for the largest part of the value of most manufactured products can be easily provided remotely using e-communications networks. Business process restructuring within pan-EU firms and outsourcing to specialist SMEs therefore offers large scope for further consolidation of the Single Market and realisation of associated efficiency gains.

Against this background, for ICT deployment in businesses, priority areas are: facilitating use of interconnected IP networks as a platform for secure, reliable communications within companies and between companies with a view to improving supply-chains and boosting efficiency; ensuring workers have the skills and mobility needed by employers in a high-tech, globalised environment; facilitating companies to expand and streamline their business through achieving a Digital Single Market which would allow consumers to enjoy the full benefits of the Internal Market; boosting R&D; and streamlining the approach to adopting pan-European ICT standards.

The EU electronic communications framework has provided a framework to support the internal market for telecommunications services. However, in other areas, incoherent implementation of EU legislation at the national level has led to fragmented European markets for ICT-based services, with companies often prevented from developing pan-European strategies and consumers suffering as a result. For businesses and consumers this is adding costs, hindering the development and slowing down the demand for new ICT solutions and services.

Efficiency standards can support market acceptance in areas such as privacy and accessibility but Member States are often still reluctant to accept such standards harmonization. Pan-European recognition of professional qualifications remains a problem, whilst different VAT/tax regimes and varying consumer protection frameworks further hinder multi-national sales channels and market integration. European companies need to be able to fully exploit the possibilities offered by ICT to effectively and efficiently serve customers across the Single Market if we are to match the scale advantages of the US and China.

While the European Services Directive has helped to propel cross-border delivery of many services, it has had a limited effect on the ICT sector. In practice, many services and solutions are accessed or delivered remotely with the service provider not necessarily based in the same country as the customer. As the “country of origin principle” was excluded as a main provision from the Services Directive, ICT service providers are faced with the challenge of dealing with varying legislative frameworks when delivering cross-border services. Whilst

more and more economic, cultural and political activity is moving online, we are confronted with the irony that while the Internet is borderless, online activity too frequently stops at national borders.

Alongside consistent and cost-effective deployment of ICT, it is essential to reinforce the importance of the right investment in R&D and innovation for Europe's future growth. The EU should aim to be the most attractive location globally for R&D. Achieving this will require a coordinated and ambitious approach to public R&D funding, an improvement of the R&D project proposal process in the form of a reduction of proposal preparation overhead and improvement of the proposal review, fiscal measures to promote R&D and innovation activity, and access to skills at the highest level. It is crucial to attract the brightest heads in research. R&D and innovation activity should be done with a minimum administrative overhead to enable maximum involvement of creativity.

The nature of innovation and R&D is changing to be more open and collaborative. No one company, institution or geographical region has the capability or skills to address the issues of today. Open Innovation requires global interaction throughout the research value chain and easier co-operation with research institutions outside of Europe. The role of forums such as the European Technology Platforms (ETPs) and R&D Public-Private-Partnerships (PPPs) and their partners should be strengthened and should be based on a co-operation with the European Commission at adequate level to react better and faster to upcoming new technologies, new trends, and new business opportunities for the key industry sectors in Europe.

Furthermore much of the new value creation comes from the ability of different sectors to take a cross sector view and acknowledge requirements and capabilities across such sector borders. This is an area where such tools (ETP and PPPs) can provide such enabling cross sector bridges. E.g. linking the requirements of healthcare with the capabilities of ICT and thereby facilitating e-health in a way both convenient and productive. Also the role of startups and SMEs in the context of innovation is essential. One main obstacle for EU-s innovators is the difficulties with growing in scale where the institutional support needs reform and improvement in order to match the US in this respect.

The ICT sector also invests in social capital, both directly as an employer and indirectly as an enabler of productivity and job creation in all sectors. Development of next-generation networks, systems, devices, software and services will allow our companies to further create jobs and spur economic activity. Investing in human capital is equally critical; nearly 70% of senior ICT executives recently surveyed indicated that recruiting talent will be a key challenge in the coming years.

Asks

Post-Lisbon strategy

1. Position ICT as a key item on the policy agenda –and, therefore, as a fundamental element in the wording of the document replacing the current 2010 Lisbon Strategy– as a basic factor in European competitiveness and as the primary means of overcoming the current economic crisis. This is the case both in terms of the use of ICTs and in the consolidation of an advanced industrial base able to supply the equipment, tools, systems and know-how related to ICT.

Leveraging broadband take-up by businesses and organisations

2. Monitor broadband take-up and online commerce by businesses of all sizes and analyse their use of virtual private networks and integrated software systems both nationally and cross-border.
3. Assess and ultimately remove the barriers preventing businesses from effectively using advanced technologies internally and externally (including their ability to utilise secure connections, integrated systems, online interfaces with suppliers as well as customers) to improve productivity. Analyse the extent to which administrative differences across the EU27 may hamper the management and use of pan European networks and systems and examine how far these are justified in view of national circumstances. Promote ICT applications take up to enhance European businesses and organizations' efficiency and competitiveness. Create fiscal and grants stimulus for SMEs to ensure they become the most ICT productivity enablers in the world.
4. Focus on productivity and efficiency applications implementation (ERP, SCM, EAM, IAM, HRM, PLM, Web Services, e-commerce, e-billing, etc.).

eSkills and worker mobility

5. Promote e-skills training and lifelong digital learning so that Europe's current and future workforce are prepared to compete in the 21st century; prioritising ICT in teacher training; promoting exchange of best practice.
6. Remove hurdles to the movement of workers, goods, services and capital to ensure the most efficient and socially optimal deployment of human resources;

Digital single market for cross-border services

7. Prioritise the achievement of a European Digital Single Market A single market for digital content and services will not only provide tremendous benefits for consumers, it will also ensure that innovative European businesses can grow to the necessary scale to compete in the emerging global market – there is therefore a need to reassess obstacles to delivering ICT based services across the EU. While the European Services Directive has helped to propel cross-border delivery of many services, it has had a limited effect on ICT-based services as set out above. A further assessment is needed.
8. Build a trusted and level playing field for cross-border eCommerce for the benefit of both consumers and sellers by setting fully harmonised consumer protection standards.

Research and development

9. Internationalise EU Framework research programmes to a greater extent so that Europe can benefit from the best skills wherever in the world they are based, while taking a balanced approach to the flows of intellectual property arising from FP research projects.
10. Ensure output of publicly-funded research can be effectively leveraged, while at the same time encouraging private sector R&D through R&D subsidies, tax credits and similar incentives.
11. Promote research in areas of connectivity, software and system capabilities to achieve more efficient processes that impact directly on all sectors –health, transport, energy, security, the automotive industry, and the environment.

ICT standardization and procurement

12. Support innovation, competition and efficiency in ICT procurement and standardization policies. In Avoid mandating preferences for particular technologies, business models or licensing regimes in the context of standardisation, and focus instead on setting out functional requirements and ensuring decisions are technology neutral and made on the basis of value for money..
13. Encourage standards bodies to continue to work towards timely and successful standardization, thus fostering a healthy ecosystem of network and service providers.
14. Promote better recognition, protection, licensing (on objective, commercially reasonable terms) and technology transfer mechanisms for intellectual property in government funded academic research, in order to ensure the private sector is able to build on and commercialise publicly-funded R&D outcomes.
15. Encourage universities and other recipients of public research funding to collaborate with industry better by identifying and protecting IP developed through publicly funded research, and in appropriate cases licensing or transferring such research to the private sector for further development and commercialization on objective, commercially reasonable terms.
16. The technical evolution of Radio ,from analogue to digital ,is experiencing a very low development in Europe .To clarify the selection of a technology or combination of technologies ,amongst the European standards ,which be most beneficial both for public and private radio broadcasters and the European citizens ,a common analysis by the European countries Telecommunications' Administrations with public and private broadcasters ,and even the European carriers ,during the Spanish Presidency of the EU, would be a positive step in this direction.

1.2 Sustainability

Promote the role of ICTs as a green enablers/ incentivise ICT sector's efforts to reduce its carbon footprint

Importance and Challenges

The application and diffusion of ICT in other business sectors can reduce total global CO₂ emissions by 15%¹. These savings are five times larger than the total expected emissions from the entire ICT industry. In addition to these reductions, potential energy savings can be achieved from the capacity of ICT to enable dematerialisation – replacing high carbon physical products and services with virtual low carbon equivalents.

There are in particular four major opportunities where ICT can act as a key enabler and make further radical cuts to global CO₂ emissions. These are basically smart building design and use, smart logistics, smart electricity grids and smart industrial motor systems. The challenge is to turn this enabling potential into reality by promoting the necessary policies and measures to encourage its deployment.

This will also require new levels of cross sector partnership and collaboration. Isolated action by single players will not lead to the desired results. Strong political leadership is needed in particular with regard to raising awareness, fostering transparency and leading through concrete action, i.e. green procurement.

Modern high speed broadband networks are a crucial enabler for almost all industries, essential for leading the way to a low carbon society.

Sustainability is fundamental for long term economic growth and competitiveness. Consequently the ICT sector is systematically examining its internal processes and has embraced and committed to the principles of sustainability.

Asks

The ICT industry proposes therefore the following measures which will enable other industry sectors, support the EU Commission reduction targets, and reinforce the sector's efforts to reduce its carbon footprint:

- Support showcase projects that demonstrate ICT's role as an enabler in achieving energy efficiencies across the economy;
- Promote knowledge exchange between sectors such as telecoms and transport to ensure the practical development and application of ICT solutions;
- Encourage standards bodies to include energy consumption criteria in standards development;
- Develop sector-specific energy consumption/GHG emission measurement and accounting methodologies preferably through international standardisation;
- Encourage ICT-enabled, energy-efficient procurement policy, in particular in the public sector;

¹ GeSI SMART 2020 study

- Consider fiscal incentives to encourage green procurement.
- Encourage Member States to incorporate ICT into utility and infrastructure policies, in particular with regards to smart grids and traffic management
- Commission studies to measure the carbon impact of different ICT solutions;
- Incentivise ICT product and service providers to demonstrate their green credentials when bidding for public contracts;
- Encourage ICT sector to lead by example in reporting its own Green House Gas emissions.
- Reduce transaction costs and speed up the learning curve of companies willing to introduce green ICT solutions by promoting knowledge transfers and best practice examples in order to lower implementation costs and favour green ICT investments.
- Establish a true single European market to allow the development of pan European “green” applications and enable seamless movement across borders. National island-like solutions will inhibit technological development by reducing potential economies of scale and will be a severe barrier to exporting European standards and technologies worldwide.

In order to drive the above measures, the ICT industry, other sectors and the EU Commission, should be ready to engage in a programme within the next couple of years comprising the following aspects:

1. Energy efficiency of ICT processes: “manage the measurement”

(‘Processes’ to be defined as global ‘corporate operations’ focusing on office estate, network operations, data centres & manufacturing.)

2. Enabling energy efficient and low carbon ICT solutions in other sectors: buildings & construction, transport & logistics and energy supply (power production, transmission & distribution) – “be the enabler”

- Buildings & construction - identify areas for ICT solutions to be maximised in buildings and construction
- Transport & logistics: support the deployment of intelligent transport systems in Europe (roads, highways, rail and public transport).
- Energy supply: support the shift to advanced metering infrastructure and transformational initiatives.
- In all 3 abovementioned sectors: assess the energy savings incurred as a result of ICT applications.

3. Working with the public sector – “putting policy into practice”

- Support the dematerialisation of goods and services and encourage societal change.
- Support the implementation of innovative ICT enabled solutions across Europe.
- Support the development of appropriate incentives to encourage the uptake of energy efficient technologies and sustainable procurement practices.
- Support the implementation of innovative ICT enabled solutions across Europe.

4. Customers – encouraging more energy efficient behaviour

1.3 Creative Content in the Digital World

Promote innovation and the emergence of a European Digital Single Market through effective intellectual property regimes, and support for legitimate digital content business models by facilitating, *inter alia*, cross border licensing and ensuring proportionate deterrents for copyright infringement

Importance and Challenges

Europe's content industries stand to play a key role in boosting the region's knowledge economy with the online content market forecast to grow to € 8.3 billion in 2009 from € 1.8 billion in 2005 [footnote?]. This potential takes on even greater importance as the EU has the necessary size, scalability and online activity to leverage its creativity on a global basis. The innovative inventions and creative content that are vital to Digital Europe are underpinned in large part by intellectual property protection, which provides incentives, rewards, and mechanisms for the ICT industry to develop and disseminate technologies, products and services for the information society, as well as for this industry and many others to develop and distribute digital content.

Yet, the currently disjointed state of Europe's content market is hindering not just distribution but every facet of the industry from business development to content creation. Providers of content are confronted with overly complex and nationally based licensing systems, which make it more difficult for digital businesses to provide compelling legal content offers.

The licensing process should facilitate and accelerate the emergence of a European Digital Single Market and the introduction of new business models that attract consumers, reduce copyright infringement, and reward business investment and innovation. It should be made easier and more consumer-friendly to license, distribute and access digital content across the EU.

Facilitating existing rights clearance processes for content online would be a major step in the development of a European Digital Single Market. Many stakeholders, for example, would take advantage of a multi-territory licensing regime featuring the possibility to acquire global or multi-territory repertoire licenses on a one-stop/blanket license-basis provided by collecting societies. In order to facilitate the widest variety of online services and business models, however, licensing models must reflect the diversity of distribution and revenue models for digital content and ease the difficulties arising from the fragmentation of management of repertoire, while taking account of the importance of copyrights to support the financing of creation. Licenses must be available which cover the whole of the European Union and European Economic Area, or one country or a specific group of countries, in order to facilitate rollout and service availability. As suggested by President Barroso's European Digital Agenda and EU 2020 strategy, a well-functioning, transparent, harmonised and flexible market-based licensing regime is therefore a critical element in the development of a dynamic and successful new media and content sector and to achieving a vibrant European Digital Single Market.

The technology sector and the artistic community are fully aligned in their mutual interest to ensure the European collective digital rights management systems are subject to high standards of transparency and accountability. If individual creators obtain fairer and more

accurate collection and distribution of digital revenues from their national collecting societies, it will benefit artists, technology companies and European consumers alike.

Effective Intellectual Property enforcement is necessary, but it is equally important that policies to combat IPR infringement should not penalise those involved in the legitimate distribution, creation or consumption of content and are not implemented in a way that it is detrimental to general public support for copyright. The protection of intellectual property rights could already be enhanced if the existing legal framework would be applied properly by Member States, stakeholders and the respective authorities. The European IPR Enforcement Directive needs to be fully evaluated before any additional enforcements initiatives are considered.

Key to counteracting piracy is the further increase the offer of broadly and easily available secure and price-worthy legitimate content meeting today's' consumer demand. Likewise, relevant industry stakeholders should continue to work cooperatively on reasonable efforts to reduce illegal distribution of online content. Advertising campaigns or sponsoring events provide additional tools to promote the distribution of legal content online. Awareness campaigns could highlight the importance of intellectual property as an economic good and object of cultural value.

Another important element for increasing legal offers of content in the European Union and facilitating the emergence of a true Digital Single Market would be to develop EU-wide mechanisms to streamline and make more consistent the various schemes for private-copy levies within the context of the private copying exemption and cross-border content licensing.

Asks

Eased access to content to develop new offers

Copyright clearance

1. Develop a more efficient and holistic copyright clearance system to reduce transaction and management costs and enable one-stop clearance of all content exploitation forms (fixed, mobile, online, cable, DTT, etc) both on the horizontal (i.e. multi-territory) and vertical (i.e. one negotiation partner only in the value chain) level.
2. Encourage a policy whereby all repertoires may be offered in a licence and the licence authorises all uses permitted by the digital services they license.
3. Ensure that the practices of national and multi-national content licensing bodies enable multi-territory licensing and promote, rather than hinder, competition.

Collective rights

4. Develop EU-wide mechanisms to promote greater transparency, equity, coherence, and ultimately legal clarity in the imposition, collection and distribution of all copyright fees, levies and of other digital revenues by collecting societies, in order to ensure that creators are fairly compensated and that digital innovators and consumers are equitably treated.
5. Deploy technology to enable more transparent, timely, and accurate collection and distribution of digital revenues to artists and copyright holders.

IPR and enforcement

6. Work towards the creation of a simplified, cost effective and high quality patent protection and litigation regime in order to promote innovation by European firms large and small.
7. Continue EU-sponsored stakeholder dialogues which facilitate good practice exchange on solutions to address infringement of IPR.
8. Consolidate the numerous fragmented initiatives within the EU looking at various intellectual-property issues.
9. Oppose the termination of ISP services and any sanctions or penalties imposed on alleged infringers. Nonetheless, should such measures be imposed at national level, they have to respect the fundamental rights of citizens in line with the newly adopted Telecoms Framework Directive.
10. Promote innovation and competition in ICT products and services by avoiding anti-piracy content identification and filtering/blocking technological requirements (whether imposed by legislation, administrative fiat or adjudication) that would apply to Internet users or to all computers and software used to access the Internet.

D. Other

11. Facilitate and secure online payment methods (especially micro-payments) in order to promote legal access to content and to increase consumers' and rights holders' confidence.
12. Digital content distribution requires considerable technical flexibility and while complex in design, should be simple for consumers to make informed decisions based on easily available information. Where DRMs are in use, transparency with regard to the applicable restrictions and usage rules for consumers should be provided.

1.4 Trust

Address security and privacy to drive confidence and build trust

Importance and Challenges

Trust is an essential element if the European Union is to fully benefit from the economic, societal and environmental potential of broadband internet; the two key pillars of which are privacy and security. These need to be addressed in order to build trust and drive confidence in new technologies, services and applications.

Europe's consumers and businesses need to trust in network and information security and be confident that best efforts are in place to ensure that third parties will not be able to get user information through hacking or other unauthorized access. They must be assured that any personal data used to provide services is collected and processed legitimately, stored securely and not used in unexpected or unanticipated ways.

In addition, consumers also need to be confident that their rights can be maintained across borders in an online environment. The current fragmented nature of consumer rules across the EU does not help build this confidence and also complicates the roll out of cross-border online commerce. This restricts consumer access to online services which then prevents an Internal Market for such services from developing to its full potential.

The ICT industry needs to establish a participatory privacy and security framework by establishing common standards and business practices, and provide consumers with real, meaningful choice and control over their data through technical tools, education, and information. Building trust requires cooperation and partnership between industry, government, users, and law enforcement.

Asks

Consumer protection

1. Facilitate cross-border B2C transactions by promoting a harmonized consumer rights regime throughout the EU either through full harmonization or, at a minimum, strict implementation guidelines.
2. Encourage continued industry self-regulation in order to ensure a framework of consumer rights appropriate for digital goods and the online environment.

Privacy

3. Support efforts to enact a balanced and workable mandatory data breach notification system for all sectors, public and private, which electronically process and store individual personal data.
4. Simplify data protection rule compliance and streamline administrative procedures, thereby enabling companies to redirect costs now spent on administrative procedures toward more robust data protection measures. This should include simplification and harmonisation of the notification procedure, mandatory exemptions from notification for organisations with a Data Protection Officer, and simplified rules on international data transfer: companies should be able to certify their handling of data on a worldwide basis, as long as adequate safeguards are in place for the fair processing of the data.

5. Risk-based approach to the implementation of the Data Protection Framework, as piloted by Sweden's revision of the Personal Data Act in 2007.
6. Promote co-operation on an international level to create a favourable global environment for the European digital technology industry
7. Consumers must be secure that their personal data will only be processed for lawful purposes. To ensure this, it is essential that governmental access and the access of third parties to customer data are strictly limited to necessary proportionate and justified business purposes.
8. The access to consumers' personal data by third parties should only be possible on a decision of a court or similar legal body, serious crime/in the event of alleged civil or criminal violations. This is essential to ensure consumers trust in technologies like the internet. If they fear that their personal data, and especially traffic data, can be easily made accessible to third parties.
9. Improve co-operation between government agencies, industry and organizations that provide privacy and trust services to establish good practices in the area of both privacy and security.
10. Clarify data retention rules, in particular the scope of information to be retained, cost reimbursement obligations, and proportionate retention periods and limited to serious crimes.
11. Among other things, promote the development and uptake of online identity management and authentication technologies, which allow users to manage personal data more directly, thereby protecting privacy and fostering security.
12. Redefine a sustainable relationship between users and suppliers of digital services so that users assume more responsibility for the privacy and security of their data online and suppliers provide tools to help them manage this.
13. Building trust and confidence in ICTs through "privacy certificates". This would **increase market transparency** for "privacy enhancing" products. It also **enlarges the market** for Privacy Enhancing Technologies.
14. Consolidate the numerous fragmented programmes within the EU looking at the issues of privacy, identity, trust and security.

Security

15. Support the strengthening and harmonization of criminal penalties and civil damages, including for botnets, for computer crimes at EU-level in the context of the revision of the forthcoming directives on attacks against information systems.
16. Promote the provision of resources and creation of incentives for enhanced basic research and development on security technologies.
17. Encourage the training of skilled professionals in the computer security field through security education curricula, among other initiatives.
18. Promote the development of industry security best practices and information sharing between both the public and private sectors.
19. Strengthen cooperation with law enforcement by encouraging public private partnerships and expanding the framework for judicial cooperation.
20. Work alongside industry and users to develop more secure ICT products and services and to foster consumer confidence in those technologies, including via efforts that promote the security and reliability of new Internet-based digital delivery models.
21. Work to ensure that the most abhorrent illegal online content is comprehensively addressed through international cooperation, in order to ensure maximum efficacy,

thereby avoiding costly and less effective interventions in the functioning of Internet access provision.

22. Increase the security of critical infrastructures within the EU territory, in the transport, energy, finance and health sectors.
23. Ensure EU-wide back-up facilities for existing communications services, especially for times of crisis and disaster
24. Increase security of citizens and of the EU borders (sea and land)
25. Increase security of the European, National, Regional and Local Civil Protection Systems

1.5 Participation for All

eAccessibility; broadband for all; and the promotion of eLearning, eHealth and eGovernment.

Importance and Challenges

Many facets of our society depend on technology in general, and Information and Communications Technology in particular. The use of ICT has brought huge economic and social advances for many of Europe's citizens, and we believe that all citizens should be able to participate and enjoy these benefits.

Our vision of 'Participation for All' includes making products and services more widely available and easier to use, and enriching people lives by enabling their engagement in society at all levels, through technology. eAccessibility is crucial for people with disabilities in Europe – for many of them ICT mass-market products and services provide the essential link to society and work. Beyond bodily constraints, illiteracy in the use of ICT and online services is a major hindrance for society in terms of taking full advantage of digitalisation. Media literacy in all age groups becomes a critical precondition for the information society. It is in the best interest of both industry and society that everyone is able to take advantage of the benefits offered by the ICT industry's products and services.

Another key element to Participation for All is bridging the Digital Divide through the widespread availability of mobile and/or fixed broadband. It is estimated that there is still 2-3% of the EU's population that does not have potential access to an Internet connection, which translates into literally millions of EU citizens. It is important that this digital divide does not become a digital chasm as next generation access networks are rolled out in more populated areas.

And last but not least, the promotion and take-up of public eServices can bring the benefits of the knowledge society to more citizens. There is also tremendous potential for growth in the European economy through the expansion, in particular, of eHealth, eGovernment and eLearning. Driving take-up of these key eServices will have a knock on demand effect as users become more comfortable and confident in the online environment. Governments are in a key position to drive eService in order to make societies more accessible and broadband more attractive for larger parts of the population. The public sector should act as innovation driver through the ICT sector. Public purchases have been identified repeatedly as key tools which already use other economic areas to promote innovation and the development of the ICT industry. The Spanish Presidency can represent an excellent opportunity not only to incorporate this issue in the new European Digital Agenda, but also to ratify, once again in the European field and in a coordinated way, the importance of this instrument for the promotion of the European ICT sector .

Asks

eAccessibility

1. Consolidate voluntary self-declaration as an acceptable method for demonstrating conformity with accessibility standards.
2. Promote voluntary self-commitment to encourage the rapid provision of eAccessibility features.

3. Ensure any proposed legislation uses functional requirements based on globally harmonised standards whilst allowing the market to continue to develop innovative ways of providing technical solutions.
4. Design legislation and standards to enable a single design to be shipped to the largest possible market in order to encourage accessible features to be included in mainstream products at affordable prices
5. Achieve harmonisation between Europe and the other regions on technical requirements. In particular with the US, considering the co-timing of the EU Mandate 376 work and the US Section 508 revision². This should be done also with regard to Environmental best practises.
6. Adopt, unmodified, version 2 of the W3C Web Content Accessibility Guidelines (WCAG2)³ as soon as possible.
7. Include eAccessibility criteria in procurement specifications where this would help provide a constructive early impetus to help grow the market for such products.

Broadband for All

8. Enable access to the information society for all - through widespread commercial deployment of broadband using different yet complimentary technologies to achieve maximum coverage and–consumer benefits, where necessary [AZO1] financed by public resources rather than a sectoral levy and always subject to full observance of Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks[AZO2] .
9. To Facilitate accelerated roll out of broadband services by stimulating more efficient use of spectrum and making available additional spectrum where justified, whilst ensuring sufficient safeguards to avoid interference.
10. Ensure procurement processes for delivering broadband are transparent, market-based and non-discriminatory.
11. European Institutions should invite Member states to adopt pro-active policies aimed at creating an environment friendly to the development of very high speed services and preventing a potential digital divide through the:
 - Creation of NGA national forums to facilitate coordination between public institutions (local communities, ministries, regulatory authorities etc) and stakeholders.

eServices

12. Promote and set targets for getting governments, health and education services on line across Member States.

² According to EU Mandate 376, accessibility will become a criterion for public procurement in Europe, according to the U.S. model. Indeed, Section 508 is aimed at eliminate barriers in information technology, to make available new opportunities for people with disabilities, and to encourage development of technologies that will help achieving these goals.

³ Web Content Accessibility Guidelines (WCAG) 2.0 covers a wide range of recommendations for making Web content more accessible. Following these guidelines WCAG 2.0 will make content accessible to a wider range of people with disabilities, including blindness and low vision, deafness and hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity and combinations of these

Media Literacy

13. Promote educational programmes to make more students familiar with the benefits and the safe use of ICT and online services

1.6 Trade/Market access (still under discussion- to be updated):

1.7 Reduction in administrative burdens

Eliminate administrative obstacles which continue to limit the potential of the ICT sector

Importance and Challenges

E-communications services are subject to a range of inappropriate sector specific taxes and inefficient bureaucratic burdensome.

Removing certain barriers and national differences on network deployment and cross-border services delivery is still needed. From the supply side, broadband network deployment is subject to different taxes and different administrative procedures (bureaucratic burdensome) to exercise rights of way to deploy broadband networks. Network deployment implies administrative and bureaucratic processes management in order to exercise rights of way set in Directives. Excessive red tape is a burden that poses a real challenge for effective competition in a Single Market, prevents European citizens from benefits of quick of high speed broadband deployment, and weakens economic recovery potential coming from broadband network investment (each 10% of additional broadband penetration yields 1,3% extra growth, according to World Bank recent study).

Beyond those taxes set in 2002/20/CE Directive, Member States levy different fiscal charges on electronic communication providers that detract financial funds from investment in NGN, risking wider coverage or improved capacity network deployment. This is specially the case for taxes levied from electronic communication sector to finance other sector, such as broadcasting.

Priority areas in this respect are: removing costs and barriers to network deployment.

Asks:

1. Remove taxation beyond taxes envisaged in Electronic Communication Directives.
2. Promoting streamlining excessive red tape for broadband network deployment (i.e. using one-stop and electronic procedures)
3. Promote fiscal policies that incentivise investment and the development of new technologies, service and content. Avoid targeting the e-communications services sector as a financial resource for other public services. Sector specific levies and fees should neither distort the market nor impede consumers from connecting.

The digitization of cultural resources is essential to facilitate access and preserve European cultural heritage and reflect its multiculturalism. However, doing so effectively requires a constant investment in accessible and affordable services for all and avoiding the risk posed by licensing regimes which may hamper access to such network content