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THE EUROPEAN WAY TO DATA ECONOMY
Taking Stock and Looking Ahead

VideoTalk, October 21, 17:00 – 18:15 | Zoom

"**The European way to data economy. Taking stock and looking ahead**" is the title of the VideoTalk held on 21 October by the Institute for Competitiveness, with guest speaker **Khalil Rouhana**, Deputy Director General at DG CNECT, European Commission.

The VideoTalk was opened with a speech by I-Com President **Stefano da Empoli**. The main speaker, Khalil Rouhana, then took the floor. There followed an open debate moderated by **Mattia Ceracchi**, I-Com Head of EU Affairs, before Mr Rouhana's closing remarks.

Bringing together EU and national institution representatives, companies, research and business organisations, trade and consumer associations and other relevant stakeholders, the event offered a forum to take stock of the European strategy for data, published last February by the Commission as a part of its digital package with the aim to create a «single market for data that will boost Europe's global competitiveness and data sovereignty». A particular focus was placed on the challenge of ensuring a European leadership on industrial data, recently reaffirmed by Ursula von der Leyen's SOTEU, also with the proposal of building a European cloud based on Gaia-X initiative as part of NextGenerationEU. The event also offered the opportunity for a stakeholder discussion in view of future data initiatives, that will include a legislative framework on the common European data spaces (expected by the end of this year) and a legislative proposal for a Data Act (announced for 2021).

PICTURES

What actions should be taken in order to prevent or at least minimise the data skills gap between demand and supply? Is there room for "European data champions" and how should it be pursued? How can data sharing between different sectoral players be effectively supported, according to a co-opetition principle? How could European data spaces be achieved, overcoming fragmentation between and within Member States? What would be a realistic time horizon and which sectors should be given a priority? What impact would the debate on technological sovereignty have on cloud market development in Europe? These and other questions emerged from the discussion.

MAIN TAKEAWAYS

I-Com views. In his opening, Stefano da Empoli briefly presented the main issues of the VideoTalk, stressing the major role played by data in terms of both economic and societal value. Starting from the share of data economy on EU's GDP, amounting to 2.6%, the non-economic aspect of the issue was highlighted, including the relevance of data for the healthcare sector, i.e. in ensuring better therapies, developing vaccines, setting tools to react to crisis and emergency situations. Four main points were identified as key elements to be considered while assessing the current scenario of data in the EU: i) interoperability, as a powerful tool to fight fragmentation, both within EU Member States and at the EU level; ii) co-opetition, i.e. the need to strike a balance between competition and cooperation when it comes to data sharing and governance; 3) the importance of encouraging the development of a new set of skills for workers, technicians and young people entering the labour market; 4) the need to develop a framework in which European Digital Sovereignty could be effectively delivered, both in terms of infrastructures and new technologies, taking into account the importance of investments and international competition.

Investing in data is key to achieving the digital transformation. To achieve a successful digital

transformation for economy and society, participants agreed that Europe must seize on the opportunity to capture, store and benefit from available data. This means developing new technologies and infrastructures, summed up in a clear legal framework and the right skills, so that all Europeans may profit from the potential that data can give to our economies and societies. The ambition of making the EU a leader in showing the way comes with the need to stimulate investments in key areas.

By the numbers. In the next seven years, the Commission will contribute to the development of common data spaces across Europe with an investment of €2.7 billion under the Digital Europe Programme - more than €700 million in 2021-22. As well, 20% of the Recovery Fund (i.e. €130 billion) will be dedicated to digital, as a starting injection to build a proper European data infrastructure, made up of cloud services, platform software and skills development (an example of this effort is that of France and Germany in launching Gaia-X). An additional €100 million per year will be allocated through Horizon Europe and Connecting Europe Facility to trigger investments in advanced skills in the field of data and artificial intelligence.

The state of the (legislative) art. Three main pieces of legislation currently provide the legislative framework for data - the GDPR, the Regulation on the free flow of non-personal data and the Open Data Directive. An in-depth overview of the main steps taken by the von der Leyen Commission was presented, highlighting aspects to be further developed, and anticipating the next steps foreseen by the Commission's Work Programme for 2021. To ensure a coherent and comprehensive approach, a set of actions has already been laid down by the Data Strategy (February 2020) and will be complemented by i.a. the regulation on data governance (Q4 2020) and the Data Act (Q3 2021).

Towards the Data Act. A framework enabling the safe and effective sharing and reusing of data is still missing in Europe. Increasing clarity over terms of use and reuse, authorised actors and authorities in charge of enforcing and monitoring compliance is what the Commission aims to set within the framework of the Data Act. Conditions for donation of data will be specified as well, whether it be donated by companies, associations or the public sector. Rules to be applied to intermediaries in facilitating the sharing, mainly between private actors, should be clearly determined in order to create a secure and clear legal framework. A framework for the exploitation of data concerning competition rules, market fairness and asymmetries in the exploitation and use of data will also be taken into account. This will be mainly done through the DSA package (Q4 2020) and partially also by the Data Act.

Covid-19 lessons learnt. The importance of data and information for economic development and wellbeing is clearly undeniable and healthcare is undoubtedly the sector in which this is becoming more evident. Although the Covid-19 experience has revealed the resilience of the Union, it has shown the existing gaps and difficulties in collecting, analysing and sharing data in times of emergency. While the role played by data applications is undeniable, e.g. in matching existing molecules with genomic features of the virus, it is evident that a more effective and quick deployment of tools will be required in the near future. The Commission's decision to prioritise the creation of the Health Data Space (Q4 2021) over other sectors will be considered in this light.

International connectivity. During the Q&A, it was recalled that the Commission is developing a very clear plan of investments mainly related to internal connectivity, however, the importance not to forget investments on international connectivity was highlighted, also as a means to safeguard European values. The emphasis was placed on the importance of carrying out an assessment of the state of European cabling systems and not to underestimate the impact of Brexit in this sector considering that one of the largest digital hubs is located in the UK. This vision has been confirmed and concerns have been shared, stressing that international connectivity could be developed through EU projects.

Cybersecurity issues. It was also highlighted that data management undoubtedly plays a central role in supporting the decision-making process. Data should be characterised by high standards of quality and interoperability. For this reason, it is important to develop a legislative framework based on the values of transparency, interoperability and accessibility. The importance of a network for mutual assistance and prevention of cyber-attacks and also the need for an EU cybersecurity certification framework was emphasised. Hence, the will to innovate the entire cybersecurity sector has been confirmed by the Commission that will put on the table in mid-December 2020 a new cybersecurity strategy and a proposal for the revision of the NIS Directive.