



**Computer & Communications
Industry Association**
Tech Advocacy Since 1972

Recommendations to Portugal's Presidency of the Council of the European Union

The Portuguese EU Presidency will kick off negotiations on a range of proposals that will impact Europe's economic recovery and digital transformation for years to come. The Computer & Communications Industry Association (CCIA) believes that technology is key to making Europe an innovative, competitive, and attractive place to invest, work and live. We look forward to working with the Portuguese government in support of your successful Council Presidency.

European Prosperity and Competitiveness Relies on Access to Global Markets

European firms rely on access to global supply chains, the best available technologies, and global markets. Calls for "technological sovereignty" must not become an excuse for protectionism, by Europe or our trading partners. Europe is stronger, safer, more competitive and prosperous when we have access to choose from any of the world's most innovative products and services. The EU should work with like-minded trading partners and agree on common guiding principles for addressing new technologies and removing digital trade barriers.

The Digital Services Act must strengthen the Single Market and online safeguards

The Digital Services Act (DSA) is an opportunity to strengthen online rights, clarify everyone's responsibilities and reinforce the Single Market. The DSA should be a horizontal and principle-based legislative initiative, which could be complemented by targeted measures (legislative and non-legislative) tackling specific problems. A one-size-fits-all approach wouldn't be effective given the major differences between various types of intermediation services. It should take a risk based approach rather than creating asymmetric obligations. The existing liability regime with its prohibition of general monitoring and the country of origin principle should be maintained, while areas of national divergence can be addressed. The DSA should provide online intermediaries the opportunity to take voluntary measures tackling illegal content, products or conduct without being penalised for their good faith efforts.

A Digital Market Act based on holistic assessments

The European Commission's forthcoming Digital Market Act proposals could cause a fundamental change to technology industry business models (e.g. line of business restrictions), alter investment and innovation incentives (e.g. infrastructure access requirements), and call into question technology companies' ability to compete on the merits (e.g. shifting the burden of proof). At the same time, competitive dynamism of the digital space continues to drive new innovative features and functionalities for citizens and businesses at ever lower cost.



CCIA encourages national lawmakers to thoroughly analyse the impact of recent EU legislation and the new proposals' likely longer-term effects on investment, consumer welfare and innovation in Europe. Pending further assessment, CCIA recommends interventions that increase the enforcement capabilities, monitoring and investigatory powers of competition law enforcers.

Allow Artificial Intelligence to solve societal challenges while minimising risks

Artificial Intelligence (AI) has the potential to help solve Europe's major challenges, such as climate change, virus detection, and safer transportation. CCIA welcomes the European Commission's risk-based and targeted approach. We recommend a clear and narrow definition of "high risk" applications, with an emphasis on specific (high risk) use cases rather than blanket categories of technologies. Whole sectors should not be considered as high-risk but an assessment should be made of the potential impact and the probability of risk. Applying a category of high-risk AI should be the exception rather than the rule. While CCIA supports a combination of ex ante and ex post enforcement, we would caution against any overly administrative, lengthy, ex-ante assessment system which could force European startups to launch elsewhere.

Keep Cloud Market Access Open and Non-Discriminatory

A thriving data-driven economy builds on a competitive cloud market. Any discriminatory requirements such as data localisation or the exclusion of international cloud service providers would steer Europe towards digital isolationism, reduce cloud offerings in the Single Market, and limit the expansion of EU cloud and industrial businesses abroad.

Encourage voluntary data sharing

EU policy-makers should encourage voluntary, market-led data sharing standards and practices where it supports social improvements and economic innovations. Any new legislation should complement existing sectoral and cross-sectoral data sharing laws and remain technology neutral, non-discriminatory, respect industry's trade secrets, contractual freedom and the protection of personal data.

Promote an environment-friendly digital transformation

CCIA welcomes the EU's ambitions to become climate-neutral by 2050. As recognised by the European Commission, digital technologies, and in particular AI, will play an important role in helping the EU achieve that goal. The tech industry is also committed to further the green transformation of our own sector. The EU Presidency is an opportunity for Portugal to shape long-term climate policy plans and promote best-in-class green efforts.



Adapt social and working policies to the changing world of work

CCIA encourages policy-makers to promote regulatory approaches that create the conditions for good quality, flexible, independent work by allowing platforms to provide or facilitate access to social protection, without endangering the flexibility of the model. This will support Europe's recovery by creating job and growth opportunities, while ensuring independent workers' access to adequate social protection.

Smart and sustainable digital mobility policies

Digital mobility services are developing across the EU with the potential to tackle traffic congestion, pollution and contribute to the EU's 2050 carbon neutrality target. CCIA encourages smart and sustainable mobility services as part of the EU's future transport and environment policies. The Smart and Sustainable Mobility Action Plan should support transport decarbonization, embrace competition and innovation, and pave the way towards Europe's recovery.

Improve the Network and Information Security Directive

Cyber threats know no borders. The Network and Information Security (NIS) Directive has brought about a collective sense of cybersecurity awareness across organisations and Member States but its implementation remains too fragmented across the EU. The review of the NIS Directive is an opportunity to bring about meaningful improvements to address a borderless phenomenon while preserving the scope and risk-based approach of the existing framework. The review should also encourage actionable information-sharing between service providers and national cybersecurity incident response teams, and among each other.

Protect Europe's Democracies while guaranteeing the freedom of speech

The European Democracy Action Plan is an opportunity to limit unlawful election interference, clarify online political campaigning rules, tackle disinformation, and support media pluralism. Any initiative should reflect the multitude and diversity of actors involved, provide flexibility, and maintain focus on freedom of speech.

Protect user communications and device data without hurting innovation

The EU's ePrivacy Regulation should ensure meaningful privacy protection and confidentiality of communications, while leaving room for the development and use of secure and innovative digital services in Europe, including those based on Artificial Intelligence. CCIA believes a context and risk-based approach can ensure appropriate privacy protections while meeting Europe's future digital ambitions. The ePrivacy Regulation should regulate only scenarios where the GDPR does not protect the confidentiality of private communications.



Finalise EU Reforms and Transatlantic Negotiations on Law Enforcement Data Access

CCIA encourages the EU institutions to finalise the on-going negotiations on the draft EU e-Evidence package. The future framework should fully protect user rights and provide law enforcement with an efficient mechanism to access digital evidence in justified circumstances, and grant legal certainty to digital service providers. It should also serve as a strong basis for a future EU-U.S. agreement that strengthens user rights and due process safeguards when law enforcement on either side of the Atlantic needs access to electronic evidence during criminal investigations and prosecutions. The agreement should also seek to resolve conflicts of law between the two sides, codify existing practices as to the type of data European and U.S. authorities can request, and above all, provide reciprocal benefits to both sides.

An interoperable and tech-enabled online payment ecosystem that promotes innovation and choice

The Commission's Retail Payments Strategy sets out an ambitious, progressive agenda that will boost competition and choice, foster innovation by supporting new technologies, and increase interoperability between different parts of the European payments ecosystem. Enhanced choice in the European payment methods available to merchants and consumers, a pan-European framework for digital identity verification, and a regulatory environment that continues to support technological innovation are vital ingredients to complete the EU Digital Single Market. More "Open Banking", i.e. access for non-banks to the financial ecosystem, will allow new market entrants to innovate and compete and make Europe a leader in FinTech.

Implement new EU copyright rules without hurting online innovation

CCIA encourages EU Member States to remain vigilant regarding online innovation and rights when transposing the new EU Copyright Directive into national law. A robust framework must include protections for online intermediaries as well as flexible limitations and exceptions to copyright that are necessary for the development of next-generation technologies. CCIA encourages the Member States to have a consistent interpretation of what can constitute the 'best efforts' to avoid fragmentation. We would recommend a proportional, goal-oriented approach based on the objective to ensure the unavailability of copyright-protected content, without favoring any technology.

Europe should lead efforts towards ambitious, global tax reform

CCIA strongly supports efforts to achieve tax reform at a global level. Efforts should centre around proposals that are profits-based and cover all sectors. Member States should in the meantime avoid unilateral measures, which risk upsetting trade relations and derailing the prospects of reaching consensus on more ambitious global tax reform.