Recommendations to Slovenia’s Presidency of the Council of the European Union

The Slovenian EU Presidency will lead negotiations on a range of proposals that will impact Europe’s economic recovery and its digital transformation and competitiveness for years to come. The Computer & Communications Industry Association respectfully offers the recommendations below and looks forward to supporting Slovenia’s Council Presidency.

Europe's Success Relies on Access to Global Markets

Europe is stronger, safer, more competitive and prosperous when we have access to and can choose from any of the world’s most innovative products and services. Calls for “sovereignty” must not become an excuse for protectionism, by Europe or our trading partners. 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 new EU-U.S. Trade and Technology Council is a promising starting point.

Towards an Effective and Proportionate Digital Markets Act

The Digital Markets Act (DMA) proposal represents a revolutionary new approach to centralised economic regulation of digitally-enabled markets in Europe. The expansion of market-shaping executive discretion demands proportionate safeguards to protect the open market economy, competition, and innovation for the benefit of consumers. A flexible and effects-based approach is necessary to ensure effective and proportionate interventions. While the DMA should have room for unambiguous “Do's and Don'ts”, conduct with more ambiguous effects should only be subject to tailored prohibitions and obligations based on the effects on consumers, competition, innovation and the wider economy. Such a regulatory dialogue would ensure a dynamic and future-proof digital market regulator.

The Digital Services Act Should be a Horizontal and Future-Proof Framework

The Digital Services Act (DSA) rightly focuses on tackling illegal content with the objective of increasing digital innovation, online safety, and fundamental rights protection in the EU single market. The DSA should create a horizontal framework for all intermediary services retaining the key principles of the e-Commerce Directive, like the Country-of-Origin and the prohibition of general monitoring. Sector specific intervention should take place within the appropriate vertical legislation, i.e. new rules on goods and products should be dealt with in the revision of the General Product Safety Directive.
A Risk-Based Approach to Artificial Intelligence

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 risk-based and targeted approach in the proposed AI Regulation. We encourage further clarifications to avoid unnecessary red tape, and adjusting the balance of responsibilities between AI providers, users and deployers in the AI value chain.

Engage with Global Partners to Ensure Data Flows

CCIA supports the EU’s aspiration to become a world-class data hub. To do so, Europe must be able to connect with its main trading partners and ensure that data can flow freely in and out of its borders. Data flows underpin economic growth and health research. Where there are legitimate concerns over government data access, the EU should seek convergence with like-minded partners rather than retreating to digital isolationism. In the next six months, the Presidency will have a unique opportunity to garner support for ongoing bilateral and multilateral efforts and advance meaningful solutions.

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.

Support Proportionate Data Sharing Rules Conducive to Innovation

The Data Governance Act and the Data Act should include meaningful incentives to increase the supply and demand for data in Europe. Undue restrictions such as data transfer restrictions, mandatory data-sharing, data expropriation or burdensome requirements for data-sharing services risk stifling the very objective of these proposals. EU proposals on data sharing 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 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.
Adapt Social and Working Policies to the Changing World of Work

CCIA encourages policymakers 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. Future EU action should support transport decarbonization, embrace competition and innovation, and pave the way towards Europe’s recovery.

Improve the Security of Network and Information Directive (NIS2)

The NIS2 Directive is an opportunity to bring about meaningful improvements to address a borderless phenomenon. This means extending the ‘One-Stop-Shop’ mechanism to all cross-border essential and important services, and taking into account existing international standards with respect to coordinated vulnerability disclosure and supply chain security assessments. The NIS2 Directive will also bring added value if it enhances collaboration between competent authorities and relevant stakeholders, and encouraging actionable information-sharing between service providers and cybersecurity incident response teams, and among each other, is key. The oversight and enforcement framework in NIS2 should also remain proportionate.

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 by strengthening the Code of Practice, and support media pluralism. The initiatives should build on the positive results already achieved and reflect the multitude and diversity of actors involved, provide flexibility, and maintain focus on freedom of speech.

Protect User Communications and Device Information 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 AI. CCIA believes a context- and risk-based approach can ensure appropriate privacy protections while meeting Europe’s future digital ambitions.
Finalise EU Reforms and Transatlantic Negotiations on Law Enforcement Data Access

CCIA encourages the EU institutions to finalise negotiations on the 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.

Europe Should Lead Efforts Towards Global Tax Reform and Avoid Unilateral Measures

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 and remove unilateral measures, such as an EU Digital Levy, which risk upsetting trade relations and derailing the prospects of reaching consensus on more ambitious global tax reform.