

Europe's digital future – the views of business and industry

Aim:

The European Union is a global leader of data-driven economic growth and known as a forerunner in digital telecoms rules and cybersecurity. The EU promotes market-driven, harmonised regulation and standards in the digital market. The EU's competitiveness relies heavily on cybersecurity, digitalisation and the widespread use of data.

In the future, the EU Commission must continue its role of strengthening digital resilience, which includes an open and fair data economy, cybersecurity, a well-functioning single market, skills and digital infrastructure (hard and soft). Central to the Commission's role is its exclusive right of initiative in the preparation of EU legislation and its role in budgeting and allocation of funding.

The EU has ensured that in the future network users will be protected by European values and legislation, through at least transatlantic standards, data transfer agreements and a well-functioning and competitive digital single market. In the Digital Single Market, the reduction of internal variation within the EU is emphasized to ensure that the EU home market is big enough for businesses to grow into global players.

The EU will pursue the EU2040 dual-transition legislation to provide cost-effective and market-driven support to the green transition and business investment in emerging key technologies and the data economy. The solutions enabled by data and digitalisation will boost the circular economy and the reduction of emissions in different sectors of the economy and advance sector integration. The value of the growth that is based on digitalisation, technologies and data is created in ecosystems and on data platforms. The strategic goal of developing a shared EU digital infrastructure is to provide high-speed network connections and ensure the free movement of data between EU countries. Europe's goal is to prioritise digital services.

The means to achieve this ambition:

- 1. Increasing EU competitiveness through key enabling technologies, RDI and technological self-sufficiency**
- 2. Creating a functioning digital single market**
- 3. Best practices that promote competition and innovation in the EU data economy**
- 4. Ensuring a coherent and successful EU digital transition**
- 5. Accelerating the green transition through digitalisation**
- 6. Strengthening international cooperation**
- 7. Strengthening the digital and green transition through cybersecurity and improving preparedness for cyber threats**

1. Increasing European competitiveness through key enabling technologies, RDI and technological self-sufficiency

- Investing in high-level skills in key technologies¹ and RDI in emerging technologies. Important areas for RDI investment include software skills, business skills built on data, and digital product development and its management. Key technologies include artificial intelligence, quantum computing, semiconductors, distributed data management, leadership in 6G and blockchains.
- The future role of computing infrastructure, i.e. high-performance computing and quantum computing, will be crucial in solving global sustainability issues. Pursuing a leading role in identifying and commercialising new business opportunities related to the exploitation of computing infrastructure.
- The development of virtual worlds and Web 3.0 and services based on them have a strong internal market dimension. Ensuring that common EU standards allow businesses to benefit from the scope of the single market and prevent uncoordinated national initiatives that hamper the functioning of the single market. (<https://metaverse-standards.org/>)
- Strengthening Europe's strategic competitiveness in the semiconductor sector by committing to the European Chips Act. Focusing in particular on increasing investment in production to ensure that small Member States also have access to inputs at the various stages of the manufacturing chain. In addition, through adequate funding of R&D and pilot lines, ensuring that more advanced high value-added products and services are created in the European semiconductor sector.
- Ensuring the EU's competitiveness and attractiveness through RDI funding comparable to that of its main peers, the US and China. Stressing the importance of a long-term, credible and progressively increasing funding framework for key programmes such as Horizon Europe, Digital Europe and Connecting Europe.
- Ensuring the completion of the Arctic submarine cable (Northwest Passage data cable, northern route out) between Europe and Asia. The Arctic submarine cable will connect Asian and European information networks via the Arctic region.

2. Creating a functioning digital single market

- Focus is on developing data economy infrastructure and services at the EU level. Investing in the digitalisation of corporate financial administration on market terms and the digitalisation of public services at the EU level to create a pan-European real-time economy.
- Continuing to develop EU data spaces to enable data to move across the EU and between sectors. Investing in establishing rules and structures for data exchange to enable efficient data sharing across value chains, between software and between information systems.
- Ensuring that trade secrets are protected when sharing data so that sharing is useful for businesses and does not become a barrier to developing and offering products and services.
- Completing the development of an EU-wide digital identity and digital identity wallet.
- Developing network connectivity in a technology-neutral and market-driven way. Spectrum policy will continue to be implemented at the national level.

¹ An example of a high-level EU skills ecosystem is the [Chips Skills Academy](#).

3. Best practices that promote competition and innovation in the EU data economy

- There is a strong reluctance to introduce new digital or data legislation and to extend its scope or requirements.
- Any new initiatives should only proceed through comprehensive impact assessments, using agile and interactive methods, especially for new technologies. Impact assessments should pay particular attention to the effects of legislative amendments currently being processed or recently adopted, and the impact of the proposals on the EU's competitiveness.
- Any new regulation should strengthen a level playing field in digital commerce. Particular attention must be paid to the balance of obligations between EU and third-country companies established in the EU and competing for the same European customers.
- Particular attention should also be paid to coordination of legislation and legal certainty. Assessing the competitiveness of Europe's digital operating and regulatory environment, in particular in relation to the US and China.
- In the forthcoming GDPR mid-term review, it is essential to address data economy bottlenecks in a business-oriented way. This can be done, for example, by dividing businesses into personal data intensive and non-intensive business sectors.
- Emphasising a risk-based approach to defining personal data and transferring it to third countries in a way that allows for more flexibility in lower risk scenarios.

4. Ensuring the coherence of the EU digital transition

- Promoting the coherence and consistency in digitalisation in the EU Member States through the implementation of the Digital Compass (skills, digital infrastructure, business, public sector). Investing in the competitiveness of pioneering countries through EU multinational projects based on the digital compass (EDIC - European Digital Infrastructure Consortium).

5. Accelerating the green transition through digitalisation

- Supporting the digital green transition by promoting the circular economy, in particular through data spaces and digital product passports, and by defining the responsibilities of the different actors for the management, maintenance and preservation of product data.
- Promoting energy and resource efficiency and excellence in ICT sector. Creating an overview of the environmental impact of digitalisation at the EU level. The lack of transparency, fragmentation and availability of data on the climate and environmental impacts of the ICT sector is currently a challenge at the national and international level.

6. Strengthening international cooperation

- Strengthening EU–US technological cooperation, leadership and bilateral trade through the EU–US Trade & Technology Council (TTC).
- Intensifying cooperation between the EU, the US and countries with a shared value base to secure a free digital market, international data flows and an open internet.



7. Strengthening the digital and green transition through cybersecurity and improving preparedness for cyber threats

- Cybersecurity regulation must be integrated into digitalisation regulation wherever possible and appropriate, although the aim should also be to avoid the fragmentation of regulation on the same subject.
- Where the market does not deliver the desired outcome on its own, the cybersecurity requirements imposed on companies should focus on the security level requirements and leave the choice of means to the companies themselves. The requirements must also be technology neutral.
- The primary responsibility for preventing, detecting and mitigating data breaches/cybersecurity incidents lies with the owners and operators of information systems. Ensuring the security of information systems and networks, fighting crime in the digital environment, ensuring criminal liability and improving cybersecurity skills.
- Ensuring that national cybersecurity centres and cybersecurity coordination centres work as a network and exploit synergies and good practices across the network. Considering the role of business and increasing cooperation at the EU level on digital security issues, while ensuring good trade relations and cooperation with non-EU countries.
- Refraining from creating new, administratively complex financial instruments. Instead, a larger share of cybersecurity RDI funding will be devolved to Member States.

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