

# BUILDING A EUROPEAN DATA ECONOMY

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**Information and Knowledge for All:**  
***Towards an Inclusive Innovation***

**The World Conference on Intellectual Capital for Communities**

**UNESCO, July 3&4 2017**

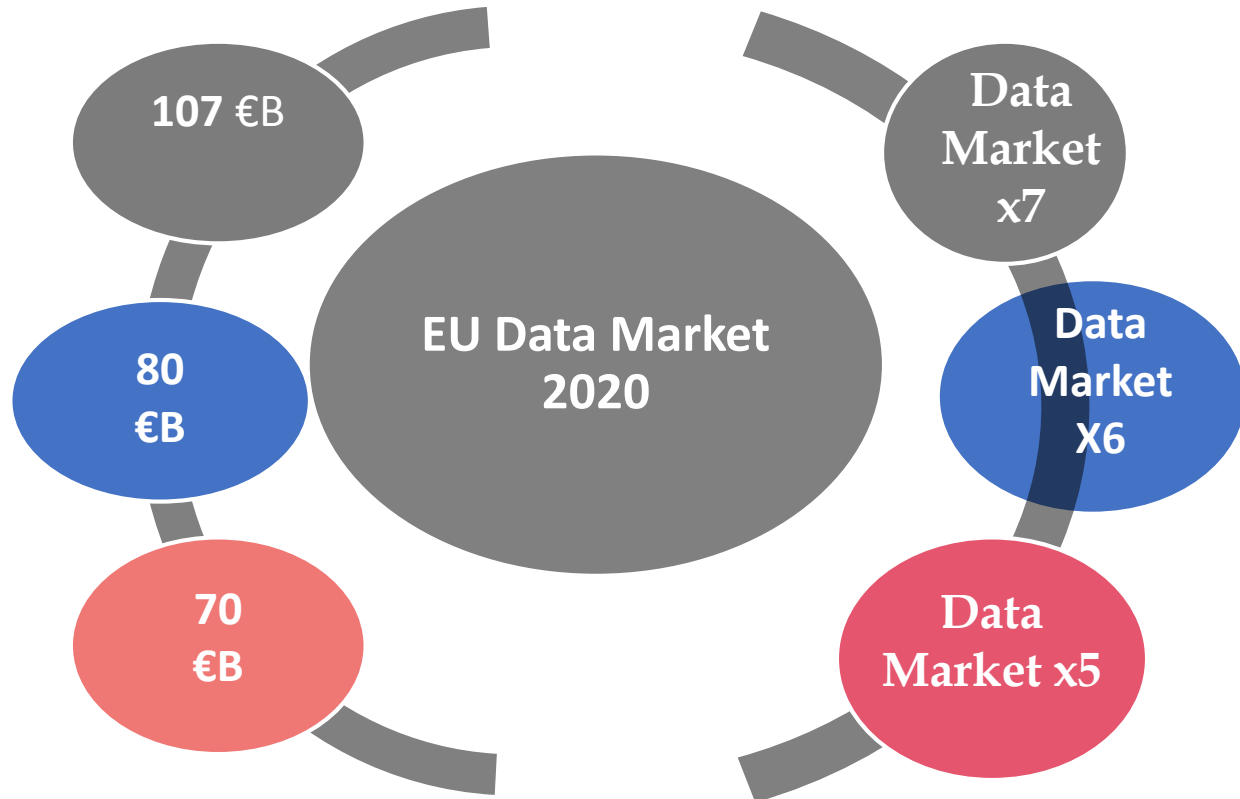
# By 2020 the European Data Economy in the most favourable scenario could contribute up to 4% of EU GDP

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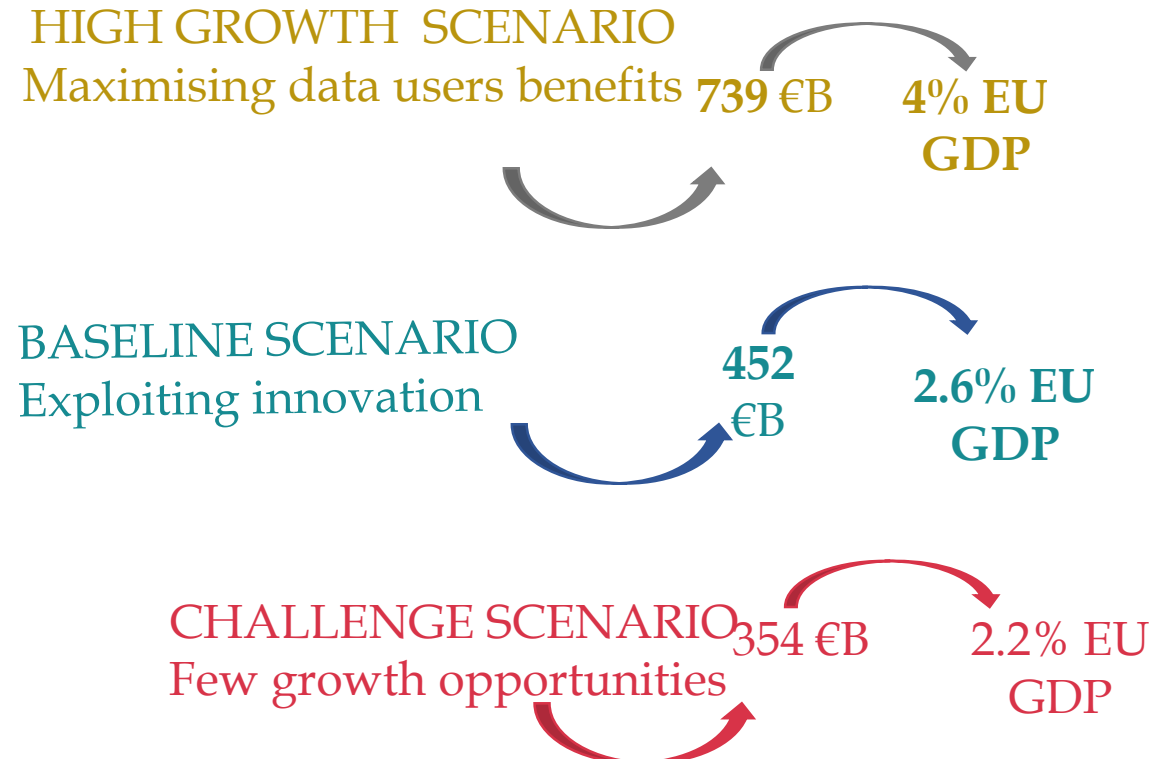
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Intellectual Capital  
for Communities  
In the Knowledge  
Economy

Value by scenario



EU Data Economy 2020



3rd & 4th July 2017

Source: European Data Market Monitoring Tool, IDC 2016 data: [www.datalandscape.eu](http://www.datalandscape.eu)  
The World Conference on Intellectual Capital for Communities  
- 13th Edition -

## Creating a European Digital Economy and society with growth potential

### Pillar 3 ECONOMY & SOCIETY

Ensuring that Europe's economy, industry and employment take full advantage of what digitalisation offers.

- Digitising industry ✓
- Cloud ✓
- Inclusive digital economy and society ✓
- e-government ✓
- Standardisation & interoperability ✓
- Digital skills ✓
- **Data economy** ✓

## European Commission actions to unleash the data economy



- ✓ A Communication that outlines possible policy and legal solutions for a European data economy in relation to:
  - ✓ Free flow of data
  - ✓ "Emerging issues" relating to data: access, portability, liability and experimentation
  
- ✓ Launch of a public consultation and a debate with Member States and stakeholders to define next steps

## Building a European Data Economy - COM(2017)9

- Need to access & exploit industry-held data better
- Focus on non-personal, machine-generated data
- Contracts as main vehicles to share and re-use
- Data silos, innovation hampered
- Objective: facilitate B2B data sharing and trading

## 2. Data access and transfer

- **Limited access to data:** companies tend to analyse data only in-house and keep data to themselves, creating **data silos**
- **Lack of comprehensive policy framework** for the economic utilisation, re-use and tradability of machine-generated data
- When contract is king, there is risk of **unfair standard contract terms** imposed on weaker parties
- Manufacturers **de facto "owners"** of machine-generated data
- **Data silos hamper innovation**

## 2. Data access and transfer

### OBJECTIVE

Making machine-generated data more accessible for businesses to boost innovation and the digital economy

### POSSIBLE ACTIONS

- Guidance on data sharing
- Foster technical solutions to identify and exchange data
- Default contract rules
- Access for public interest and scientific purposes
- Data producer's right
- Access against remuneration

## 3. Data portability, interoperability and standards

- GDPR rules on portability do not apply to **non-personal data**
- Portability of non-personal data could **foster innovation and new services**, and **stimulate competition**
- Data portability should be made **easier and less costly** in B2B contexts
- Importance of **interoperability** of services, and of appropriate technical **standards**

### POSSIBLE ACTIONS

- **Recommended contract terms** to facilitate switching costs of service providers
- Developing further **rights to data portability**
- **Improving technical interoperability and sector-specific standards**



## 4. Liability in the context of autonomous systems

- Public consultations related to Product Liability Directive and Building a European Data Economy
- Product Liability Directive undergoing a full evaluation (to be finalised towards the end of 2017):
  - **Is an unintended, harmful autonomous behaviour a defect as stipulated in the Directive?**
  - **With complex value chains e.g. in the IoT domain, can always one producer be identified and be held liable?**
- Some MS pushing ahead: revised road traffic act in Germany to allow deployment of semi-autonomous vehicles, liability shifted to manufacturer

## 5. Experimentation and testing



- Important part of the **exploration of the emerging issues**
- **Dedicated trials** should be organised for testing possible solutions

### EXAMPLES

- Cooperative connected and automated **mobility** – with trials based on 5G
- Experimenting with **geo-spatial** data
- More...?

## Objectives of the online consultation (10 Jan - 26 April 2017)

The consultation centred on 4 issues:

- *Do data localisation restrictions inhibit the free flow of data in Europe ("Free Flow of Data")?*
- *To what extent are digital non-personal machine-generated data traded and exchanged? What are the barriers to sharing?*
- *Is liability an issue in the context of the Internet of Things (IoT) and robotics?*
- *What about data portability, interoperability and standards?*

## Contributions

- 380 replies to the questionnaire, 113 position papers (28 as stand-alone contributions)
- Mainly businesses and organisations
- From all EU Member States
- ¼ of company respondents are SMEs

# Preliminary trends

## Free Flow of Data

- Existence of data localisation measures confirmed by 63% of respondents
- High or medium impacts of such measures, specifically on costs
- 62% in favour of removing data localisation restrictions within the EU.
  - Most prefer legislation as the type of action at EU level ...
  - ... but sizable groups of respondents favour soft measures (guidance on data storage, increasing transparency of data localisation restrictions)

## Emerging issues: access and transfer

- A large majority of respondents agrees that wider data sharing should be facilitated and incentivised.
- Almost half of business respondents that declare they depend on data generated by others, and report difficulty with respect to data access.
- Most respondents do not favour regulatory intervention, but prefer soft measures (increased use of APIs, non-binding guidance, sharing best practices).

## Emerging issues: liability

- Extra-contractual liability is a concern for manufacturers, suppliers, and for users of IoT/robotics devices.
- Few consumer respondents acknowledge encountering damages due to a defective IoT/robotics device.
- A majority of respondents favors a risk-management approach (party that is best placed to minimise or avoid the realisation of the risk).



## Emerging issues: portability, interoperability, standards

- Services allowing the portability of non-personal data in demand, mainly because of the possibility to switch providers.
- However, portability services not necessarily offered by businesses.
- Vast majority of the cloud service users prefer standard compliant solutions, mainly for reasons related to security, data protection and service interoperability.

## Structured dialogue - workshops

- 29/05: Workshop on emerging issues – focus on SMEs and start-ups
- 31/05: emerging issues with Member State representatives
- 06/06: Workshop on emerging issues - focus on smart manufacturing
- 08/06: Workshop on access to privately held data & technical measures (APIs)
- 16/06: Session on data economy, Digital Assembly (Malta)
- 26/06: Workshop on access to privately held data of public interest
- 17/07: Estonian Presidency conference on the data economy (Tallinn)
- + bilateral meetings with stakeholders and sector-specific workshops (e.g. data sharing in AGRI business, access to car data, etc.)

## DIGITAL SINGLE MARKET STRATEGY: MIDTERM REVIEW

**10 May 2017: Mid-Term Review adopted - COM(2017) 228**

### Chapter on the European Data Economy:

Autumn 2017: legislative proposal on the EU free flow of data cooperation framework (principles: free flow of data within the EU, porting non-personal data, availability of certain data for regulatory control purposes)

Spring 2018: initiative on accessibility and re-use of public and publicly funded data; further explore the issue of privately held data which are of public interest (subject to evaluation / impact assessment)

Analyse whether to define principles to determine who is liable in cases of damage caused by data-intensive products

Continue to assess the need for action concerning "emerging data issues" (e.g. data access rights).