

2009 - 2014

Committee on International Trade

2009/2224(INI)

30.4.2010

## OPINION

of the Committee on International Trade

for the Committee on Industry, Research and Energy

on Internet of Things (2009/2224(INI))

Rapporteur: William (The Earl of) Dartmouth

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## SUGGESTIONS

The Committee on International Trade calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Notes that, in our globalised world, technological advance is likely to have substantial impacts on innovation, competitiveness and information flow, and consequently on international trade; points out in particular that the use of intelligent technologies can improve both the quantity and the quality of information flow, providing speed, accuracy and transparency in commercial transactions;
- 2. Notes that the first and most tangible application of the technologies of the Internet of Things will take place in the sector of commerce, through the replacement of bar codes with radio-frequency identification (RFID) tags for all products; considers that, because of the qualitatively and quantitatively greater technological possibilities offered by the new technology as compared with the previous one, this transition can provide multiple benefits for manufacturers/producers, traders and consumers, chiefly through the improvement of service quality and fundamental changes to the supply and distribution chain;
- 3. Invites the Commission to make an assessment of any impact that its proposed strategy might have on the productivity and competitiveness of European enterprises in the international market;
- 4. Stresses that while an Internet of Things will develop locally, an open, transparent and, above all, accessible development of the new technologies would enhance sustainable development opportunities worldwide and could facilitate the transition to a carbon-neutral economy;
- 5. Considers that through the combination of traceability technologies and production, trade and product-origin security tags, the Internet of Things can contribute in important ways to the conduct of trade, for instance in stamping out trafficking in pirated goods, improving and creating more integrated protection of consumer health, avoiding future food crises, saving energy and protecting the environment;
- 6. Believes that the Internet of Things can contribute to the facilitation of trade flows between the EU and third countries through the expansion of markets and the securing of quality guarantees for the products traded;
- 7. Invites the Commission to take into account the financial and infrastructural limitations of SMEs when formulating technical and ICT management and standards such as the ones proposed in its communication; reiterates that SMEs form the backbone of European productivity and employment and that their interests should be protected horizontally across the various pieces of legislation the EU produces; the economic experience is that SMEs lead the economy of the European Union out of recession; calls on the Commission, therefore, to place a particular emphasis on SMEs and their access to new systems and applications;

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- 8. Is deeply concerned about personal data protection and the protection of consumers' privacy in general, since there are countless regulatory and prescriptive gaps and ambiguities concerning vital aspects of the implementation of the technologies for the Internet of Things; considers that the existing dangers relating to the protection of the personal data of users of the internet are very much smaller than the dangers that will arise as the Internet of Things gradually expands; calls, therefore, upon the Commission to include issues relating to personal data protection that are raised with reference to the expansion of the Internet of Things in all ongoing matters;
- 9. Urges caution regarding centralised infrastructure and possible abuses through central monitoring of product and information flows, particularly with reference to electronic military equipment codes and the area of State sovereignty in general;
- 10. Calls on the Commission to contribute actively to the definition and setting of principles and rules for the governance of the Internet of Things together with its trading partners in international forums, such as the World Trade Organisation;
- 11. Calls on the Commission to continue funding projects under the 7th Framework Programme and the Competitiveness and Innovation Framework Programme in order to increase European Union competitiveness on the international market in the field of the Internet of Things;
- 12. Underlines the importance of creating a safe and transparent system of governance for the Internet of Things.

## **RESULT OF FINAL VOTE IN COMMITTEE**

| Date adopted                             | 28.4.2010  |
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| Result of final vote                     | +: 17<br>-: 0<br>0: 1  |
| Members present for the final vote       | Kader Arif, Daniel Caspary, Joe Higgins, Yannick Jadot, Metin Kazak,<br>Bernd Lange, Emilio Menéndez del Valle, Vital Moreira, Niccolò<br>Rinaldi, Helmut Scholz, Peter Šťastný, Gianluca Susta, Jan Zahradil,<br>Pablo Zalba Bidegain, Paweł Zalewski |
| Substitute(s) present for the final vote | Josefa Andrés Barea, George Sabin Cutaş, Albert Deß, Elisabeth<br>Köstinger, Georgios Papastamkos, Jarosław Leszek Wałęsa  |