DRAFT REPORT

on a European strategy for data
2020/xxxx(INI)

Committee on Industry, Research and Energy

Rapporteur: Miapetra Kumpula-Natri
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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on a European strategy for data
(2020/xxxx(INI))

The European Parliament,

– having regard to Article 173 of the Treaty on the Functioning of the European Union (TFEU), which concerns the competitiveness of EU industry and refers, inter alia, to actions aimed at fostering better exploitation of the industrial potential of innovation and technological development,

– having regard to Article 114 of the TFEU,

– having regard to Articles 2 and 16 of the TFEU,

– having regard the Charter of Fundamental Rights of the European Union,


– having regard to the Commission’s inception impact assessment of 2 July 2020 entitled ‘Legislative framework of the governance of common European data spaces’,

– having regard to the Commission communication of 17 April 2020 entitled ‘Guidance on Apps supporting the fight against COVID 19 pandemic in relation to data protection’,

– having regard to Commission Recommendation (EU) 2020/518 of 8 April 2020 on a common Union toolbox for the use of technology and data to combat and exit from the COVID-19 crisis, in particular concerning mobile applications and the use of anonymised mobility data,

– having regard to Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information,

– having regard to the Commission proposal of 6 June 2018 establishing the Digital Europe programme for the period 2021-2027 (COM(2018)0434),


– having regard to Commission Recommendation (EU) 2018/790 of 25 April 2018 on

access to and preservation of scientific information⁴,


– having regard to the Commission communication of 10 January 2017 entitled ‘Building a European Data Economy’ (COM(2017)0009), and its accompanying Commission Staff Working Document (SWD(2017)0002),


– having regard to the Commission communication of 19 April 2016 entitled ‘European Cloud Initiative - Building a competitive data and knowledge economy in Europe’ (COM(2016)0178) and its accompanying Commission Staff Working Documents (SWD(2016)0106) and (SWD(2016)0107),


– having regard to the Joint European Roadmap towards lifting COVID-19 containment measures of 15 April 2020,

– having regard to Council Conclusions of 9 June 2020 on Shaping Europe’s Digital Future⁵,

– having regard to Council Conclusions of 7 June 2019 on the future of a highly digitised Europe beyond 2020: Boosting digital and economic competitiveness across the Union and digital cohesion,

– having regard to its resolution of 17 April 2020 on EU coordinated action to combat the COVID-19 pandemic and its consequences⁶,

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– having regard to its resolution of 12 February 2019 on a comprehensive European industrial policy on artificial intelligence and robotics⁷,

– having regard to its resolution of 1 June 2017 on digitising European industry⁸,

– having regard to its resolution of 10 March 2016 entitled ‘Towards a thriving data-driven economy’⁹,

– having regard to the opinion of the European Economic and Social Committee on the Commission Communication entitled ‘Building a European Data Economy’ (TEN/630-EESC-2017),

– having regard to Rule 54 of its Rules of Procedure,

– having regard to the report of the Committee on Industry, Research and Energy (A9-0000/2020),

A. whereas digitalisation has transformed the economy, society and citizens’ daily lives, and whereas data, which is duplicated every 18 months, is at the heart of this transformation;

B. whereas data is an essential resource for economic growth, job creation and societal progress and is a key enabler of the transition to green and climate-neutral societies;

C. whereas the Union must urgently take action to reap the benefits of data by building an ethically sustainable, human-centric, trustworthy and secure data society that respects human rights and democracy;

D. whereas all uses of personal data should be consistent with the General Data Protection Regulation and the e-Privacy Directive;

E. whereas the Union should be an active global player in setting rules based on its values;

General

1. Welcomes the Commission communication entitled ‘A European strategy for data’; believes that it is a prerequisite for the viability of European industries and nascent AI, and a vital step towards a democratic data society, which will bring better services, growth and jobs;

2. Notes that the COVID-19 crisis highlights the role of real-time data;

Values and principles

3. Believes that the Union’s aim must be an EU-governed, human-centric, data-driven society built on trust and values of privacy, transparency and fundamental rights;

4. Notes that a well-built data society benefits all, empowers workers instead of lowering

their working conditions, and does not lead to inequality or digital gaps;

5. Stresses that the increasing volume, development, storage and processing of industrial and public data in the Union is a source of growth and innovation that should be tapped; believes that this growth can be enhanced via a level playing field and strong multi-player fair market economy;

6. Stresses that the Union’s data strategy must support sustainability, the Green Deal and Union’s climate targets;

Data governance and spaces

7. Supports the creation of a data governance framework for common European data spaces, covering interoperability, sharing, access and portability of data, to enhance the flow and reuse of industrial and public data;

8. Insists that the data governance model be built on a decentralised data operating environment;

9. Calls for the creation of a Commission-led body that would set common Union-wide guidelines on data governance; calls for citizens, civil society and businesses to be adequately represented in the governance of data spaces;

10. Urges the Commission to build interoperable sectoral data spaces that follow common guidelines to avoid creating silos and preventing cross-sectoral innovations;

11. Encourages the Commission to use data spaces to enhance trust, create common standards and build well-formed application programming interfaces (APIs), and to consider using pre-agreed sandboxes to test innovations;

12. Notes the need to help private and public sector actors to identify the data they possess and catalogue and increase the findability of data to fuel data spaces; calls on the Commission to fund initiatives to improve the findability of metadata within data spaces;

13. Welcomes the Commission’s plans for intermediator labelling/certification for creation of interoperable data ecosystems and markets;

14. Recalls that personal and industrial data are not always separable; urges the Commission to define guidance on and practices in the utilisation of mixed data sets in industrial environments while guaranteeing privacy rules for personal data; calls on the Commission to consider creating a horizontal and cross-cutting personal data space alongside other data spaces to address the challenge of mixed data sets and empower citizens via, for example, trustworthy intermediators such as MyData operators, which store data with the consent of the owners;

Data act, access and interoperability

15. Urges the Commission to present a data act to encourage and enable an increasing B2B, B2G, G2B and G2G flow of data in all sectors;

16. Encourages the Commission to facilitate voluntary data sharing schemes;

17. Notes that there are specific circumstances, such as systematic imbalances in B2B data value chains, where access to data should be compulsory e.g. via well-formed APIs;
18. Calls on the Commission to examine actors’ rights to access data they have been involved in generating;

19. Calls on the Commission and the Member States to lead by example and provide real-time services and a policy based on real-time data;

20. Calls for more and better secondary uses of anonymised personal data, especially in G2B/G2G exchanges, to boost innovation, research and services;

21. Stresses the need to avoid service provider or technological lock-ins for publicly collected data; calls for public procurement processes and funding programmes to include data access and interoperability requirements;

22. Reminds the Commission and the Member States to respect Open Data Directive objectives when negotiating the implementing act on high-value data sets; calls for these data sets to include inter alia a list of company and business registers;

**Infrastructure**

23. Calls on the Commission and the Member States, in order to strengthen the Union’s technological sovereignty, to work on technologies that facilitate data sharing and analytics, and to invest in capacity building and high-impact projects to promote research, innovation and deployment of digital technologies;

24. Recalls that the success of the Union’s data and AI strategies depends on the wider ICT ecosystem, closing the digital gap, developing the IoT, fibre, 5G, 6G, quantum, edge computing, block chain and high-performance computing;

25. Calls on the Commission to promote competitive markets to support the development of European cloud offerings, e.g. Gaia-x;

26. Calls on the Commission to develop a ‘cloud rule book’ that will inter alia oblige service providers to reveal where data is stored and ensure users have sovereignty over their data;

27. Emphasises the importance of trust and cybersecurity for a stable data economy; urges the Commission to present solutions suited to market players of all sizes;

**Research, skills and competence**

28. Recognises the potential of data access to accelerate scientific research; welcomes the Commission’s work in enabling the sharing of data for research;

29. Calls on the Commission to promote software engineering, ICT talent attraction, employment of women in tech and data literacy skills for all;

30. Calls for public and private funding for SMEs to fully capitalise on data economy’s potential;

31. Calls on social partners to explore the potential of digitalisation, data and AI to increase productivity, improve well-being of the workforce and invest in upskilling;

**Global rules**

32. Believes that global rules governing the use of data are inadequate; calls on the Commission to work with like-minded third countries to agree on new international
standards to govern the use of new technologies, such as AI;

33. Calls for the free flow of data between the Union and third countries when privacy, security and other legitimate public policy interests are met; calls on the Commission to negotiate new rules for the global digital economy, including the prohibition of unjustified data localisation requirements;
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34. Instructs its President to forward this resolution to the Council and the Commission.
EXPLANATORY STATEMENT

1. Background and general considerations

Our lives and the societies we know today will be fundamentally reshaped by rapidly evolving digital technologies, superfast connections, and the massive amount of data these new capabilities produce. Globally, the total amount of data doubles every 18 months, creating yet unimaginable possibilities. Who will this trend benefit? Will the data create opportunities for companies of all shapes and sizes, or will data be concentrated in the hands of a few technological giants? In the future, will the new pools of data contribute to a human-centric digital society and will citizens be in control of their data? Will the data truly be available to improve public services?

The current COVID-19 crisis has further underlined the importance of digitalisation, digital infrastructure, tools and skills. It is clear that Europe needs to use all the tools possible to aid its recovery. The pandemic has also made it evident that basing policy decisions on traditional statistics can be irretrievably inefficient. The emerging capabilities to collect, analyse and use data in a more sophisticated way can help policymakers transition to making decisions based on real-time data. Developing “real-time services” can also mean less bureaucratic burdens, saving time and money, and new opportunities for citizens and companies, especially SMEs.

The key question is why at the moment data is not moving across Europe. The Rapporteur believes that the answer boils down to the lack of understanding, trust and interoperability.

The Rapporteur stresses that this report should be seen as a starting point in the wide-ranging discussion that will be needed to build a European approach to the data economy. The Rapporteur is looking forward to receiving the sectoral input from other EP committees active on this subject.

The Rapporteur is of the view that Europe needs to forge its own path towards a data economy and society, built upon European values.

2. Main issues and the Rapporteur’s position

2.1. Values and Principles

The Rapporteur considers that the European data strategy must have as its goal making the data economy transparent, trustworthy and human-centric - respecting human rights and democracy as well as creating new opportunities for citizens to use and benefit from their data, not for this data to only serve as raw material.

The Rapporteur also believes that digitalisation must not increase or create new societal inequalities. The data strategy needs to be integrated in a wider industrial strategy that ensures social and environmental sustainability. New models of work in the data economy must result in the empowerment of workers instead of a race to the bottom.

The Rapporteur also emphasizes that the ability to collect and process data will have a significant role in helping the EU reach its climate targets. However, the Rapporteur also
notes that the current environmental footprint of the ICT sector is estimated to be between 5 to 9% of the world’s total electricity use and more than 2% of all emissions, a large part of which is due to data centers, cloud services and connectivity. The EU must take measures to ensure transparency of the CO2 emissions, minimal wastage and to promote green data storage techniques.

2.2. Data governance and spaces

The Rapporteur considers that in order to succeed in data-sharing across the economy, Europe needs as a matter of priority a legislative framework for the governance of data sharing. The Rapporteur agrees with the Commission that the sectoral data spaces are a good starting point to create trust, European wide interoperable standards and, well-formed APIs (Application programming interfaces) with machine readable access that enable the flow of data across the EU and various entities, both in public and private sectors.

However, the Rapporteur emphasizes the importance of cross-sectoral data sharing, which is essential for innovation and new value creation. The Rapporteur highly recommends to the Commission to build European data spaces with the end goal of ensuring smooth sharing of data not only within but across sectors.

Fundamentally, there is still a huge need for organisations, businesses and public sector to better identify and understand the data they possess. The Rapporteur puts an emphasis on the need for the findability of metadata - the information about data - in machine readable form.

The Rapporteur supports the EC initiative of the creation of a governance body, led by the Commission, to lead the forming of this European data governance framework and believes that this data governance model should be built on decentralised data operating environment.

The Rapporteur believes that “data intermediators” will play a key role in future data governance in the data ecosystems, moving data between actors via well-formed APIs without processing it themselves. The Rapporteur welcomes the Commission initiative to create a concrete labelling/certification scheme for these intermediators. In this context, the Rapporteur also supports the development of trustworthy multi-stakeholder initiatives, such as MyData operators or other responsible data intermediators.

The Rapporteur believes that we would be mistaken to speak only of industrial “non-personal” data in the data strategy. Aggregated data sets carry a high probability of including within them personal data, or non-personal data which may infer or generate personal data when combined with other data. The Rapporteur argues that personal and non-personal data are not always separable, and that the Commission should further define guidance and practices on how to govern and utilise mixed data sets also in industrial environments. If this issue is not taken seriously, Europe will leave an enormous amount of data unused.

In this context, the Rapporteur suggests to the Commission to create a horizontal and cross-cutting personal data space alongside the already identified sectoral data spaces. Built fully on respecting data protection and privacy, this cross-cutting personal data space could be used to empower citizens and improve usage of personal data. As a possibility, the movement of data within the data space could happen through trustworthy intermediators, such as MyData operators, managing personal data with the full consent of the individuals.

B2B data sharing

The Rapporteur believes that the starting point for B2B data sharing should be supporting and enabling voluntary data sharing. Nonetheless, the Rapporteur is of the view that in today’s digital world the level playing field does not exist. The global tech giants, most of them non-European, have significantly better opportunities to use data, being in a position in which they do not really require data sharing between themselves and other companies. The smaller operators and SMEs are not genuinely in a position to negotiate with them. This is why the Rapporteur considers that Europe needs to regulate on compulsory data access, where necessary, applying especially to those value chains and data ecosystems in which smaller operators have been involved in creating data sets, but do not have access to the data that they have taken part in producing.

G2B and B2G data sharing

The Rapporteur emphasizes that the first step is to open public data sets for use, work that the EU has already started e.g. with Open Data Directive. However, further action is needed. Publicly collected data should be used for the common good and, ultimately, real-time services. For example, public procurement contracts must be designed in a way that prevents any public actor from becoming dependent on a single private actor. To make better use of public data sets, the Rapporteur is calling for the Commission to examine ways to improve the secondary use of anonymised personal data.

The Rapporteur also notes that as in B2B, there are also special circumstances where B2G data sharing needs to be compulsory for the common good.

Regarding the upcoming Implementing act on “High value data sets”, the Rapporteur urges the Commission and Member states not to undermine the spirit of Open Data Directive and to ensure that high value data sets include company and business registers and that sufficient action is taken to make these sets genuinely available.

G2G

The EU has already started to improve cooperation between Member States’ public services, but in the future this will also absolutely depend on enabling sufficient flow of data. The Rapporteur believes that the aim should be building a European internal market in which services are provided real-time and where policy-making is guided by comprehensive, geographically representative, and real-time data.

2.4. Infrastructure and cybersecurity

The Data Strategy is one piece in the puzzle of development of EU’s digital future. Its success will also depend on the state of play of the wider ICT ecosystem, such as broadband networks, 5G, 6G, cloud solutions, IoT, quantum, blockchain and high performance computing.
In relation to cloud service providers, the Rapporteur calls on the Commission to oblige in the future “Cloud rulebook” for service providers to show where they store data. Additionally, the Rapporteur believes that cloud service providers should not have access to data stored on their servers, unless there is a separate agreement between parties.

The Rapporteur emphasises strong cybersecurity as a prerequisite for a stable data economy. Network security and reliability is a question of European digital independence and we cannot afford to be naïve. For example, strong cybersecurity should be a requirement for all data intermediators.

### 2.5. Education, knowledge and competence

The Rapporteur reminds that Europe is one of the global leaders in research and start-ups but has challenges transforming these capabilities into flourishing companies. Therefore, the Rapporteur calls for a European focus on high-level software engineering, which is crucial for the value creation for the data sector and talent attraction.

The Rapporteur also calls on social partners at the level of the enterprise and at other appropriate levels to pro-actively explore the potential digital technology, data and AI to increase the productivity of the enterprise and the well-being of the workforce and calls on them to invest sufficient measures for upskilling, retraining and life-long learning, so that workers can transfer to new jobs or adapt to redesigned jobs also within the enterprise. Commission should also continue the work to endorse women’s participation in the technology industry.

The Rapporteur calls on the Commission to invest in the transformation of the traditional enterprises, especially SMEs, to the data age.

### 2.6. International considerations

In the global context, the Rapporteur believes that we cannot take it as a given that data protection, respecting human rights and fair competition, among others, will be the guidelines for data-driven economic development. The Rapporteur considers that global rules governing the use of data are inadequate and calls on the EU to agree new basic rules for the global data economy with the member countries of the WTO taking part in the Joint Statement on Electronic Commerce initiative and in bilateral trade negotiations.

It is important for European citizens, consumers and companies to be able to transfer data to and from third countries, with sufficient safeguards. Only in this way can the true potential of the data economy be met.

The EU should lead the work closely with like-minded third countries to agree, in line with EU’s values and interest, on new international standards to govern the use of new technologies such as AI. Otherwise the international digital market, and people’s international interaction, risks becoming more fragmented than necessary.
ANNEX: LIST OF ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

The following list is drawn up on a purely voluntary basis under the exclusive responsibility of the rapporteur. The rapporteur has received input from the following entities or persons in the preparation of the draft report:

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