B9+ Statement on Danish D9+ Presidency, 26-27 September

September 23, 2024

This statement outlines B9+1 recommendations to D9+ and EU policy makers on the next steps of implementing shared ambitions for a digitalized Europe and priorities under the Danish Presidency of the D9+ Group.

The D9+ initiative is important to business, and we encourage its further development. The B9+ has a longstanding engagement with the D9+². We collectively welcome the valuable engagement and contributions that the D9+ forum has made to date. This statement builds on previous work and shared ambitions³ and we stand ready to support the D9+ further.

Key B9+ recommendations to D9+ policy makers

Ensure an innovative, competitive and resilient digital EU

The EU should optimise conditions for investment and innovation to boost competitiveness across the EU's digital economy; maintain an open⁴ and ambitious digital trade agenda; and take a smart approach to economic security and resilience⁵:

1. We welcome D9+ Ministerial calls on April 19, 2024⁶ and at the Competitiveness Council, 24 May, 2024⁷ to increase regulatory and legal predictability to increase investment and growth across the EU. Specifically, we⁸ support the D9+ Ministerial commitments and calls on the EU to: engage business; 'to ensure

¹ The B9+ Group is composed of the main business confederations of 12 digitally progressive (D9+) Member States: CEOE (Spain), VBO-FEB (Belgium), SPCR (Czech Republic), DI (Denmark), EE (Estonia), EK (Finland), Ibec (Ireland), FEDIL (Luxembourg), VNO-NCW (Netherlands), LEWIATAN (Poland), CIP (Portugal) and Confederation of Swedish Enterprise (Sweden).

² D9+ ministerial engagement from 2021 to date, e.g., D9+ Presidencies of <u>Luxembourg</u>, <u>Czechia</u>, <u>Spain</u>, <u>Poland</u>, <u>Belgium</u> and <u>Ireland</u>.

³ B9+ (2024) A Digital Europe – Open, competitive and Resilient: B9+ vision and priorities for D9+ and EU policymakers for a Digital Europe, 2024-2029; and D9+ (2024) Ministerial Declaration, April 19, 2024 Dublin

⁴ This means open to further international co-operation and trade with likeminded partners, while encouraging capacities across Europe, so Europe can access and safeguard the economic benefits of further digital transformation. See BusinessEurope 2020, <u>Smart technological sovereignty: how it could support EU competitiveness</u>.

⁵ See footnote 4 and BusinessEurope (2024) Business views on a European economic security strategy

⁶ D9+ (2024) Ministerial Declaration, April 19, 2024 Dublin

⁷ Competitiveness Council (Internal market and industry), <u>24 May 2024</u>

⁸ B9+ (2024) A Digital Europe – Open, Competitive and Resilient: B9+ vision and priorities for D9+ and EU policymakers for a Digital Europe, 2024-2029

harmonisation and coherence across the interlinked digital regulatory files'; to map and review the 'effectiveness, efficiency and coherence' of the digital rulebook; and assess 'the economic impact of cumulative digital regulation on innovation and competitiveness, in order to inform future policy-making'; and 'in general, support a high threshold for further digital regulation during the next legislative mandate', going forward.

- a. Ensure implementation of the AI Act enables its dual purpose of (i) oversight that mitigates risks and (ii) enablement of responsible innovation and adoption of AI opportunities.
- b. Leverage the network of regulatory sandboxes and European Digital Innovation Hubs (EDIHs) to support innovation and compliance, through clear and accessible support to interested companies.
- 2. Equally, we welcome D9+ calls to increase predictability and an evidence-based approach to policy planning that encourages further investment.

 Specifically, we support an evidence-based approach, robust impact assessment and open and in-depth consultation with business and other stakeholders in further policy planning. Strengthen the better regulation toolbox and the operation of the Regulatory Scrutiny Board.
- 3. We encourage the D9+ and the EU to be ambitious on digital trade. The EU must intensify work with likeminded international partners at multilateral, bilateral and local levels. Deepen existing trade relationships and establish new ones, also with developing countries. Ensure our governance and regulation enables and works with, not against further digital trade and facilitates data flows. At the same time, we must avoid unjustified protectionism and ensure a level competitive pitch⁹.
- 4. We encourage the D9+ and the EU to take a smart approach¹⁰ to long-term economic security and resilience related to key digital technologies¹¹ by prioritising 'promote measures.'¹²:
 - a. Deepen investment in building ecosystems in AI technology (including skills).
 - b. Nourish AI development and adoption. Ensure coherence in regulatory interpretation and application ¹³, promote data flows/sharing, safeguard IP and trade secrets, and stimulate the development of sectoral data spaces.

⁹ B9+ (2023) Ensure that Cybersecurity Certification Schemes safeguard trust, resilience, free trade, and harmonisation of accessible, fair, and workable rules in the Internal Market.

¹⁰ See footnote 4

¹¹ <u>EU Strategy</u> has identified 4 technology areas: AI, advanced semiconductors, quantum computing and biotechnology.

¹² E.g. completing the common and capital markets, building skills and supporting capacities.

¹³ There are now several European data regulations.

- Enable coherent and accessible structures for data exchange that facilitate efficient data sharing along value chains and between information systems.
- c. Invest further in AI infrastructure e.g. HPC-capacity. Ensure accessibility to research and any company that is interested in developing any AI applications.
- d. Nurture Europe's talent, R&D and ecosystem in the semiconductor sector.
- e. Invest in research in Quantum's potential across different domains (including cybersecurity effects).
- f. Refrain from outbound investment screening as this would harm an open investment climate, could trigger counter measures effecting the single market and limit European companies in getting access to important digital technologies.
- 5. We encourage the D9+ and the EU to support more European success stories and promote their competitiveness in the global digital arena that knows no borders. We urge a new way of thinking on digital regulations that will help us fully unlock opportunities created by innovation and digitalisation, including new forms of flexible working and improving digital skills, which will play a key role in Europe's ability to attract talents and its overall competitiveness.

Make a Digitalised Single Market a reality

We welcome D9+ Ministerial support¹⁴ for national and EU efforts 'to address barriers hindering innovation and growth and fragmenting the digital single market'; to mobilise private capital in support of innovation and growth; and the exchange best practice in building our digital ecosystems. We encourage the D9+ and EU to:

- 6. Secure an effective and ambitious Capital Market Union to mobilise funding and boost access to capital. We need to both deepen the pool of capital in the EU as well as develop complementary sources of finance to bank lending. Diversifying the financing landscape will not only improve the EUs economic resilience, but also unlock additional funds necessary to finance the twin (green and digital) transition (up to €500 billion a year until 2030¹⁵) and provide fast-growing (innovative) companies with the right financing for their growth trajectory.
- 7. Deliver a meaningful framework and programme to support digital-first, openness, interoperability and deepen the Single Market, particularly in services¹⁶. For products, explore digital adoption that could simplify regulatory requirements e.g., elabelling, and facilitate cross border free movement of goods.
- 8. Provide a catalyst for further digital progress, adoption and innovation. Support SMEs by implementing one-stop-shops on digitalised public services for business at member state and EU level. At Member State level, use innovative procurement and co-development strategies ensuring a level playing field, an environment for enterprise, with a focus on engaging and nurturing startups from early stage to scale up, and cross-sectoral collaboration to accelerate digital innovation and adoption (e.g., testbeds). Aid companies, especially SMEs, in the uptake of new technologies (such as AI and more basic digital technologies like e-invoicing or e-signatures), in order to make policy ambitions concrete in practical business environments. Consider guidance at EU level on the procurement of digital services to avoid fragmentation across the EU.
- 9. Leverage the EU Digital Identity (EUDI) Wallet. We support the vision that EU citizens can live and work at home or another EU country supported by secure, interoperable digital IDs with digitalised and accessible public services. A Legal Entity Wallet can support businesses operations across the EU, simplifying

¹⁴ D9+ (2024) Ministerial Declaration, April 19, 2024 Dublin

¹⁵ Ursula von der Leyen (2024) <u>Europe's Choice Political guidelines for the next European Commission 2024-2029</u>

¹⁶ https://www.businesseurope.eu/publications/joint-call-comprehensive-long-term-single-market-agenda and https://www.businesseurope.eu/publications/priorities-single-market-beyond-2024-reigniting-engine-europes-global-economic

transactions, compliance and movements, thus deepening the Single Market and removing barriers across the EU. This will require local, national and EU efforts to:

- a. Ensure effective and coherent implementation of digital identity wallets across Member States, ensuring a streamlined and coordinated approach to its use, and ensuring harmonisation of and interoperability between digital identity wallets. Engage industry experts.
- b. Guarantee privacy, security and convenience to citizens when using the digital identity wallet of their choice.
- c. Encourage widespread adoption of the wallets and partner with and support business acceptance in a wide range of use cases.
- d. Engage and partner with business to explore use cases for the wallets in a business context.

Support a sustainable digital transition

We welcome D9+ Ministerial support¹⁷ for "efforts to develop a well-defined and commonly accepted methodology for climate impact and climate benefits of digital technologies, and where appropriate, consider its use in the Digital Decade Policy Programme, so that the twin digital and green transitions are aligned". Digital technologies, including Artificial Intelligence, can significantly contribute towards achieving carbon reduction goals. We encourage the D9+ and EU to:

- 10. Set ambitious digital targets and funding across all relevant EU programmes to ensure Europe benefits from AI and other emerging technologies, especially when contributing to achieving sustainability goals ¹⁸. Capitalise on the potential of areas such as 5G/6G, Cloud, edge and maximise R&D&I¹⁹ funding in areas where the green and digital transition have synergies or are twinned. Support coherence in green and digital policy, trajectories and enablers and assist both agendas to work in tandem.
- 11. Mobilize private investment to support the twin digital and green transitions. Public funding alone will not be enough to finance the EU's digital and green transformation, requiring substantial investment from the private sector. To this end, the EU adopted a new Regulation²⁰ to mobilize private investment towards activities aligned with the goals of the Green Deal. However, this initiative does not fully acknowledge the role of digital technologies in sustainability²¹, which hinders the synergies between the digital and green transitions. To mobilize private funding for the twin transitions, greater recognition should be given to the greening effects of digital solutions, both in terms of their own environmental impact and their capacity to drive sustainability across other sectors.
- 12. Explore common European KPIs (key performance indicator) to be able to compare the progress of different countries with the same measurements.
- 13. Co-operate with likeminded partners in areas where benefits may materialise for several sectors. For example, leverage the TTC. Accelerate its work to address trade barriers associated with conformity assessment for exporters on both sides of

¹⁷ D9+ (2024) Ministerial Declaration, April 19, 2024 Dublin

 $^{^{\}rm 18}$ E.g., Go beyond the 20% provided for digital initiatives in the Recovery and Resilience Fund.

¹⁹ Research, Development and Innovation.

²⁰ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

²¹ The role of digital technologies is twofold. First, in tandem with innovation, digital technologies evolve to become more efficient, thereby reducing their associated greenhouse gas emissions. Second, digital technologies enable other industries to cut emissions by optimizing processes and the use of resources, thereby enhancing their overall sustainability.

the Atlantic. Explore common actions that leverage digital and data innovation in enabling a green transition. Share best practices and training to encourage and enable the deployment of digital solutions in key sectors like energy, buildings, agriculture and transportation.

Responsible and trusted online environment, particularly for children and youth

B9+ supports the goal of a safe, responsible and trusted online environment, particularly for children and youth²². The industry acknowledges its special responsibility for managing risks where they occur and creating safe online experiences for all, including young users and children. Many stakeholders have a role to play, including families, educators and policymakers. B9+ encourages the D9+ and the EU to:

- 14. Work for a harmonized, risk-based EU-wide approach supporting robust age assurance, targeted at specific risks to children and leveraging the powers under DSA. Guidance should provide the same standards for minors in all EU Member States and prevent fragmentation within the Digital Single Market. Enable flexibility in methods to achieve agreed standards. Leverage existing age assurance work including the European Commission Task Force²³ established to support platform compliance with the Digital Services Act (DSA).
- 15. Hold relevant digital services to the same risk-based consistent standard for age assurance that is proportionate to the level of potential harm, so that every young person in the EU benefits from the same protections.
- 16. Engage industry in the development of any harmonised technical solutions. Advocate for alignment with existing (international) standards on protection of children (such as age assurance)²⁴. EDPB²⁵, experts as well young people and parents should also be included in discussions. Explore proportionate, risk-based methods that help offer appropriate protection to children while also considering the impact on users' privacy and safeguarding their rights to access digital services and information.
- 17. Ensure that supervision, enforcement and relevant legal guidance in this area²⁶ are aligned across the EU to support: a level playing field; data protection rights; effective implementation; and a safe and age-appropriate online experience.
- 18. Explore a standardized approach to parental approval on relevant services which would serve as the basis for parents to take the same responsibility for their children both online and offline. Explore an easy way for parents to review the services their children use and verify their children's ages to ensure they have age-

²² See <u>Louvain-la-Neuve Declaration</u> at Informal Telecom Council 11-12 April 2024 and <u>European Declaration</u> on Digital Rights and Principles for the Digital Decade 2022.

²³ European Commission Task Force on Age Verification (2024)

²⁴ For example, https://ieeexplore.ieee.org/document/9627644.

²⁵ European Data Protection Board

²⁶ Note existing privacy, Digital Services Act and upcoming EUDI wallet requirements (Very Large Online Platforms are to accept the European Digital Identity Wallets for user authentication). The European Commission has also launched call for evidence for guidelines on protection of minors online under the Digital Services Act open until 30 September, 2024.

appropriate experiences. Take a rights-based and participatory approach to young people's engagement with digital services. This way, the industry can focus its efforts on facilitating youth participation in experiences that are agreed to be safe and age-appropriate.



















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