



Ms Pilar del Castillo Vera, MEP
European Parliament
ASP 11E254
60, rue Wiertz
B-1047 Bruxelles

1 March 2010

Dear Ms Del Castillo,

Re: Draft report on defining a new Digital Agenda for Europe: from i2010 to digital.eu

In view of the current debate of the European Parliament's Committee on Industry, Research and Energy (ITRE) on your draft report on the future Digital Agenda, BUSINESSEUROPE wants to stress the importance of Information and Communication Technologies (ICT) for Europe's future competitiveness.

We welcome the interest that the European Parliament is showing in ICT and the digital environment. A digital single market is key for growth and competitiveness and can drive up productivity and innovation in many other sectors. ICT in Europe represents 4.5% of EU GDP and accounts for about 4% of EU jobs, with more than 5 million workers. It is an essential driver for competitiveness, job creation and growth in Europe.

The future EU single market policy should foster research and innovation in ICT, taking advantage of the contribution that ICT can make to Europe's competitiveness, both within the single market and globally. Europe needs to maintain a competitive edge in relation to other economic regions. There is a need to ensure a stable and consistent regulatory framework within which investment decisions can take place.

The EU Digital Agenda will have to address these challenges and should become one of the main pillars of the future EU2020 Agenda. This means encouraging and incentivising private investment in deployment of new ICT infrastructures, and competition and choice in the supply of innovative new services.

To be effective, the European policy in this area should act on a number of priorities. We believe these priorities should be identified in:

- strengthening the knowledge economy, as a driver of future wealth, growth and employment;
- promoting the knowledge society, as a way to further digital inclusion and expand the use of new services and the benefits for users;
- boosting confidence in the online environment and driving up demand for the next generation of ICT infrastructures and services;
- developing broadband internet by balancing investment with competition;



- fully exploiting the potential of innovative ICT solutions, in particular by contributing to enhancing energy and carbon efficiency in the EU and globally as part of the EU climate and energy commitments.
- accelerating interoperability and standardisation respecting the principle of technological neutrality;
- encouraging and supporting innovation in new technologies;
- tackle the fragmentation of copyright licensing regimes, in order to facilitate access to content across the EU;
- promoting Joint Technology Initiatives (JTIs) as major public-private partnerships in European research, while taking account the need to improve the legal and administrative arrangements for existing and future JTIs.

BUSINESSEUROPE believes that investment in new networks and services should be led by the private sector. Public funding will have a role to play but should be limited to those areas where there is no realistic commercial case for private investment and should not be allowed to distort the market. In addition to continuing to stimulate R&D and innovation from the supply side, public authorities can play an active role on the demand side by encouraging user uptake, through eGovernment, eHealth and eEducation-related services, but also through promoting skills and raising awareness.

Regarding the stimulation of R&D and innovation, BUSINESSEUROPE fully shares your concern about red tape in the EU Framework Programme. A breakthrough in this respect can only be achieved by revising the Financial Regulation applicable to the EU budget to allow for a more risk-tolerant and trust-based approach in European research funding.

There are other specific areas where action is needed: a more coherent approach to spectrum use, the creation of a clear set of EU privacy and data protection rules and the development of interoperable online payment systems to fully profit from the online market for goods and services. Finally, significant differences between Single Market principles and third countries' rules can negatively affect many EU companies operating on a global scale: Europe and its trading partners should start a dialogue on rules for Internet aimed at achieving a truly global playing field.

We trust you will take our views into account in the current discussions. We will be happy to discuss any of the above matters further with you.

We would like to inform you that we will send a copy of this letter to the ITRE Committee Members and to Mrs. Neelie Kroes, European Commissioner responsible for the Digital Agenda.

Yours sincerely,

Philippe de Buck