



Data is the key element of the EU Single Market

Ability to use data lies at the heart of the EU industrial policy and plays a key role in tackling climate change. Free movement of data must be mainstreamed and made a core-value of the Union.

- Data and digitalisation act as merging components in the single market as well as in climate policy. Only the functioning internal market can act as a boost for European competitiveness. The synergies must be sought, we must create **a real Data Union, a real Climate Union**.
- All EU policy areas must work for the same objective: Regulation has a role to play in opening up new datasets, standardisation may be used to facilitate data flows, and acceleration of data-driven reform of European industries must be a key component of financing plans.
- We must look for the European digital leadership. However, **technological sovereignty** must not lead to European protectionism. It must boost digital competitiveness throughout the Union by investing in key digital technologies.
- Artificial Intelligence (AI) will play a key role in European Data-driven economy. EU has taken decisive steps on ethical application of AI. In next five years, EU must succeed in wide-ranging take-up of AI in its industries. Investments and sharing of best practices through innovation hubs are of key importance.
- Only humans and human agencies can be regulated, not technology. If AI is to be regulated in Europe, regulation should be general, risk-based and aim for use of AI that is accountable, comprehensible and support development of fair and ethical data economy. Quality standard must be high and regulatory burden next to none.
- As a concrete step to boost the economy and digitalize our Union, the EU should focus on **Real Time Economy (RTE)**. RTE could provide significant savings eliminating manual work and enabling accounting process automation. It helps in fight against shadow economy, minimises tax gaps, lead to more effective, efficient taxation and tax certainty. It enforces the paperless economy and thus contributes to mitigating climate change. RTE must be taken on the Single Market Agenda and first cross-border pilot should be launched as soon as by 2020.
- **Cyber security** provides for safety to society and a stable operating environment for companies. Europe needs close industry involvement in creating cybersecurity schemes fit for purpose according to recent Cybersecurity Act. Europe should develop models for swift information exchange that facilitates situational awareness and public-private cooperation. Innovation and growth in SMEs must not be stifled by mandatory certification requirements.
- The Commission should increase investments in **digital skills** and boost science and engineering. In the Multiannual Financial Framework, the Digital Europe programme plays a key role in digitizing the European societies and creating new jobs in the future work domains.
- Different set of tax rules within the EU to digitalised business does not enhance proper functioning of Digital Single Market. Additional administrative costs and passing the tax burden will hit the SMEs the hardest, not promoting level playing field. Allocating more taxing rights to consuming countries will result in tax revenues allocated outside of the EU. The only sustainable solution is global and not ring-fencing "digital economy", as the whole economy is global and rapidly digitalising.



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