GERMAN EU COUNCIL PRESIDENCY DIGITAL SOVEREIGNTY

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We want to work to ensure that Europe has state-of-the-art skills in the field of key digital technologies while preserving the openness of the European single market. This includes (...) a common understanding among the EU Member States regarding the definition of and path towards greater digital sovereignty.

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German Presidency programme, chapter 2

Berlin makes it clear: For a stronger and more competitive Europe, digital sovereignty needs to be at the heart of European digital policy. An earlier <u>edition</u> of #THEÜBERSICHT summarized the planned policy measures of the German Presidency in this regard. Now we are looking into the concept: What does digital (and technological) sovereignty imply for Germany? As Berlin wants to set a common understanding on the definition of and the path to increased digital and technological sovereignty in Europe, this edition pursues the goal of shedding light on the process behind the Presidency's objectives by addressing the following topics:

- The German government's vision on digital sovereignty
- Definition of close or associated terms
- An overview of the most important stakeholder inputs of the past years and
- Upcoming legislative initiatives and relevant events during the German Presidency

ERSTE LESUNG



DIGITAL SOVEREIGNTY

WHAT DOES IT MEAN FOR GERMANY?

Digital sovereignty is not a clearly defined concept, but rather a political vision of the respective social-economic order. It essentially addresses the reduction of existing and emerging dependencies in the digitalizing world. This means that different economic areas and world regions may have different understandings of what digital sovereignty means for them. For the European Union, the debate is currently focusing on the dependence on the dominant economic players, especially from the United States and China. To be digitally sovereign, the German EU Council Presidency and the European Union are driving forward the creation of a truly digital single market, the ability to define own rules, the ability to make autonomous technological decisions and the development of strategic digital capacities.¹

The German government has, on multiple occasions, outlined its vision for digital sovereignty on the European continent:

- The VISION of the German EU Council Presidency on digital sovereignty: "Europe must rely on the strength of its broad research base and foster its growing digital infrastructure and economy, while making sure the continent's core democratic values also apply in the digital age. In doing so, Europe can position itself as a leader in world-class, socially responsible and sustainable high-tech."²
- The KEY QUESTION to answer according to the German government: "The key question is how and in which areas Germany and the EU can pursue their own European approach to digitization, while at the same time considering existing global interdependencies and distinguishing them from protectionist tendencies. This includes making sovereign decisions on which areas we want to be largely independent so that we can shape digitization in line with our own ideas."³
- The DEFINITION drafted by the Federal Chancellery: "Digital sovereignty describes the ability to shape the digital transformation in a self-determined manner with regard to hardware, software, services, and skills. Being digitally sovereign does not mean resorting to protectionist measures or doing everything yourself. Being digitally sovereign means, within the framework of applicable law, making sovereign decisions about the areas in which independence is desired or necessary."⁴

ASSOCIATED TERMS – THE DEVIL'S IN THE DETAIL!

The umbrella term "digital sovereignty" is broadly used to describe more self-determined action in regards to digital technology. This overarching phrase consists of multiple, related types of sovereignty describing individual components making up the digital world. These concepts are used in the media, often interchangeably with "digital sovereignty." Defining these other types of sovereignty can help bring better understanding of what this buzzword actually consists of.

Here are some examples:

- Data Sovereignty: The autonomy of a data provider, whether it be an individual or an entity, to make independent decisions about who accesses, processes, or stores its own data, and move around in the data space in a self-determined, well-informed manner.⁵
- Technological Sovereignty: Ability to access components and raw materials required to produce technological products, and ability to understand or learn how these products work. Often used in relation to technological products for critical national infrastructures.⁶
- Consumer Sovereignty: Strong consumer rights in the digital world that effectively protect consumers from harm and risks. Information is necessary to strengthen the personal responsibility of users so they are informed and can make independent decisions as equal market partners. This requires not only the necessary knowledge but also the existence of alternative forms of action.⁷
- 1 <u>Conclusions</u> of the Special meeting of the European Council (1 and 2 October 2020)
- 2 <u>Article</u> from the German EU Council Presidency's webpage on "Strengthening Europe's digital and technological sovereignty"
- 3 <u>Answer</u> of the Federal Government to a minor inquiry on the topic "German EU Council Presidency"
- 4 Leaked version of the German data strategy (15 September 2020), which is referred to here
- 5 Leaked version of the German data strategy (15 September 2020), which is referred to here
- 6 VDE position paper "Technological sovereignty"

⁷ Charter "<u>Consumer Sovereignty in the Digital World</u>" of the German EU Council Presidency in 2007



WHO SAID WHAT SO FAR? EVOLVING DEBATE ON THE TOPIC



NOV NOVEMBER, 2018 NOVEMBER, 2018 2018 We need to ensure "that we are at the forefront of technologi-"In order to guarantee security and sovereignty, it will be indiscal possibilities and improvements for our lives and for business, pensable for Germany and Europe to have their own providers while at the same time ensuring that this takes place under conwho guarantee data security. (...) Digitalization must be a tool ditions that are good for the citizens and also for the workforce and catalyst for what is important to us: the common good, cohesion, sovereignty, and emancipation." – Federal Minister of Lain Germany." – Chancellor Merkel and Federal Minister Scholz bor Hubertus Heil, Federal Minister of Finance Olaf Scholz and former Federal Minister of Justice Katarina Barley MAR MARCH 28, 2019 2019 "This competition of global tech-driven players that do not widely obey to European rules and fundamental values and put data appropriation and valuation at the heart of their strategy constitutes a major challenge for European sovereignty and identity." APR – EU Commission's Industrial Media Strategy to leverage Data, MAY, 2019 2019 Algorithms and Artificial Intelligence "We see the digital sovereignty of the people, so to speak, the digital sovereignty of every citizen, as a model for the implementation of digitization. (...) This is where Europe should leave its mark on the implementation and shaping of digitization." JUL German Chancellor Angela Merkel JULY, 2019 2019 "It may be too late to replicate hyperscalers, but it is not too late to achieve technological sovereignty in some critical technology areas." – Commission President von der Leyen SEP SEPTEMBER, 2019 2019 "To ensure our digital sovereignty, we want to reduce dependencies on individual IT providers. We are also examining alternative programs to replace certain software. This is being done in close coordination with the countries and the EU." NOV Federal Minister of the Interior Horst Seehofer NOVEMBER, 2019 2019 "Of course, digital sovereignty is very important. But it is possible that, even if we use the same term, we now understand different things around the world. In my understanding, digital sovereignty DEC as to what information can be disseminated, but rather describes DECEMBER, 2019 2019 the ability to shape the digital transformation in a selfdetermined "We in Europe must pay more attention to our digital sovereignty.

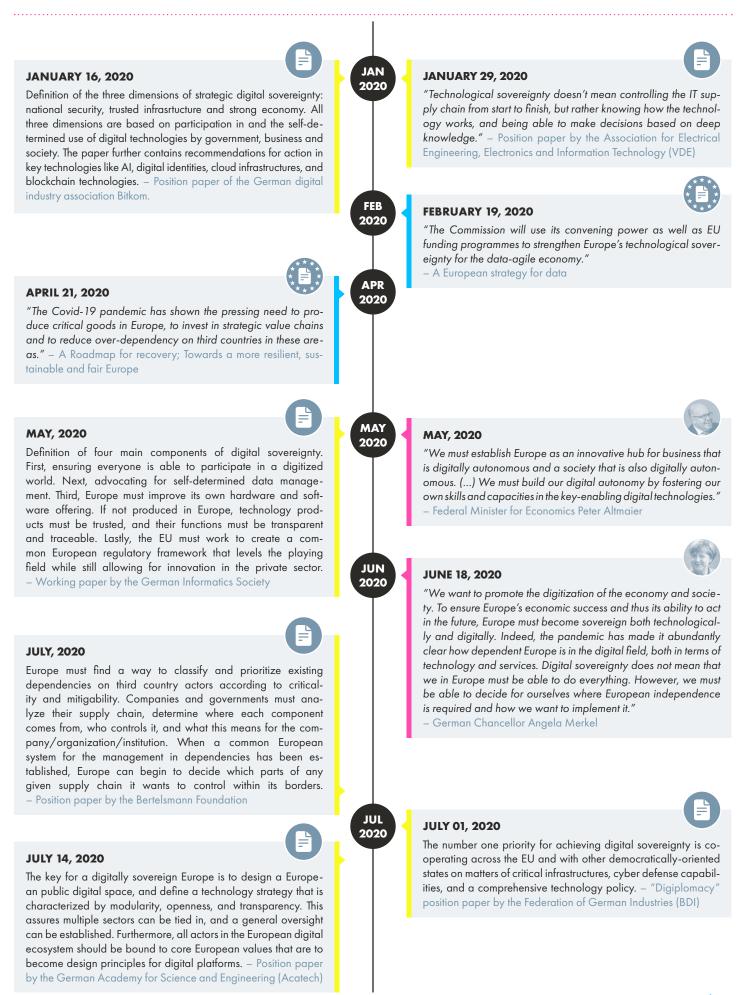
Angela Merkel at the <u>14th Internet Governance Forum</u> (2019)

This is not about a European alternative to Facebook, but about

networks, nodes or data storage in clouds. On such an important issue as protecting the digital infrastructure, we should define and protect our own interests. (...) A strategy for the digital sovereignty of Europe is overdue." - Federal Foreign Minister Heiko Maas



#THE**ÜBERSICHT SPECIAL**





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SEPTEMBER 11, 2020

"Our digital sovereignty rests on 3 inseparable pillars: computing power, control over our data and secure connectivity." – EU Internal Market Commissioner Thierry Breton

SEPTEMBER 28, 2020

"Our caring and humanistic values inspire our project of transformation. Climate neutrality and digital sovereignty are opening up new spaces for human intelligence, innovation and democratic debate." – Council President Charles Michel

SEPTEMBER 15, 2020

"Digital sovereignty describes the ability of both individuals and a society (...) to shape the digital transformation in a self-determined manner with regard to hardware, software, services, and skills. Being digitally sovereign does not mean resorting to protectionist measures or doing everything yourself. Being digitally sovereign means, within the framework of applicable law, making sovereign decisions about the areas in which independence is desired or necessary." – a leaked version of the German government's data startegy



OCTOBER 02, 2020

"To be digitally sovereign, the EU must build a truly digital single market, reinforce its ability to define its own rules, to make autonomous technological choices, and to develop and deploy strategic digital capacities and infrastructure." – Conclusions adopted at the special meeting of the European Council

IN PLANNING

ОСТ

2020

DEC 2020

2020

SEP

2020

OCTOBER 15, 2020

The ministers for Telecommunications and Digital Policy of the EU member states and EFTA will be attending an informal video conference chaired by the Federal Minister for Economic Affairs and Energy, Peter Altmaier, as part of the German Presidency of the Council of the EU. The purpose of this meeting is to facilitate informal discussions about artificial intelligence and data economy, and about the potential design of a modern European legal framework for digital services. Furthermore, the representatives of the EU Member States are to be given an opportunity to sign a joint declaration about cooperation on the establishment of a European Cloud Federation, a European network of cloud infrastructures.

DECEMBER 02, 2020

The long-awaited Digital Services Act (DSA) will be revealed, strengthening the Single Market for digital services and foster innovation and competitiveness of the European online environment.

PERHAPS DECEMBER 02, 2020

According to latest media reporting, the European Commission plans to merge the ex-ante rules of the DSA for gatekeeper platforms with the new competition tool (NCT) into a single text called the Digital Markets Act. As there is no known date for the announcement of the NCT yet, another question mark is whether the DMA will be presented on the same day as the famous DSA.

OCTOBER 19, 2020

European Commission is expected to present the Regulation on European data governance.

OCTOBER 20, 2020

With the publication of the Commission work programme 2021, we'll hear about the steps that will be taken next year to create more digital sovereignty.

DECEMBER 08, 2020

A conference by the German Federal Ministry of the Interior, Building and Community will focus on seeking agreement on common goals and values with regard to digital transformation – the outcome might be a declaration on the digital society.

DECEMBER 15, 2020

The review of the Directive on security of network and information systems is expected to update requirements regarding national cybersecurity capabilities of Member States, and requirements for national supervision of operators of essential services and key digital service providers.





So, will we have a European definition for digital sovereignty at the end of the German EU Council Presidency?

"Digital sovereignty" is an explicitly declared goal of the German EU Council Presidency. But what exactly will digital sovereignty mean for the EU in the future? What are the necessary framework conditions to enable the EU to assert its values and legal concepts in the digital space? On October 15, political discussions on current issues in European telecommunications and digital policy will continue when the responsible ministers will meet informally. It can be assumed that digital sovereignty will be high on the agenda here too. We can also anticipate another important milestone on the long road towards a definition on December 8, 2020, when the Federal Ministry of the Interior for Building and Community will host a high-level conference on a value-based digital transformation. Here, the Ministry hopes to underline the importance of driving forward the digital transformation for the benefit of society as a whole. Representatives of the EU member states responsible for digitisation will come together to discuss a European path to a value-based and user-centric digital transformation. The conference will thus focus on agreeing to common goals and values in digitisation in order to strengthen the internal constitution of European society. These conclusions are to be expressed in a "Declaration on the Digital Society," a declaration that -quite possibly- could establish a European definition of digital sovereignty. Don't lose #THEÜBERSICHT and stay tuned with us.

RELEVANT EVENTS

15 OCT 2020

Informal Meeting of Ministers for Telecommunications & Digital Affairs Baden-Baden, Germany

28 OCT 2020

Necessity or luxury? Digital Sovereignty in Germany and Europe
<u>Online</u>

27 NOV 2020

Competitiveness Council: Research and Innovation Brussels, Belgium

08 DEC 2020

High-level conference for value-based and user-centric digitalization Berlin, Germany

UNDERSTANDING POLITICS ENVISIONING THE FUTURE

ANALYSIS, STRATEGY POSITIONING

