Member States Joint Declaration on Cloud

Informal Meeting of Ministers in charge of Telecommunications – 15 October 2020

Building the next generation cloud for businesses and the public sector in the EU

Data is at the centre of the digital transformation and an essential resource for Europe's recovery, long-term competitiveness and climate sustainability. The current COVID-19 crisis has further highlighted how crucial the availability of a wide range of digital technologies is for our economy and society. Cloud computing provides the data processing capacities required to enable data-driven innovation, hence the urgent need to cooperate to foster Europe's technological sovereignty and to ensure that our businesses and public sector have access to resilient and competitive data storage and processing capacities. Europe's leadership in this area is essential to enable artificial intelligence, Internet of Things and 5G/6G. Europe should aim to set global norms on data storage and processing and to maintain market openness and international cooperation.

The benefits of cloud remain largely untapped by EU businesses and the public sector.[1] On the supply side, investments have continuously increased despite the COVID-19 crisis. However the public cloud infrastructure market is converging globally around four large non-European players.[2] This raises concerns over cloud users' ability to maintain control over strategic and sensitive personal and non-personal data. Also, commercial practices and a lack of interoperability between cloud providers create risks of vendor lock-in, undermining users' trust and cloud uptake. Europe is facing a great investment gap for cloud, estimated at €11 billion annually[3], and needs to boost the development of a truly competitive EU cloud supply. A joint European effort is needed to reverse this trend, by mobilising both users and suppliers.

The EU has a unique opportunity to address the need for more data sharing and decentralised data processing, closer to the user (at the edge). The volume of generated data is greatly increasing and a growing proportion of data is being processed at the edge. The next big wave of digital transformation will be powered by industrial data. To be ahead of the curve, we need to ensure favourable conditions for EU businesses to develop cloud capacities with global reach meeting the emerging needs of industrial data, especially in terms of processing close to the user and guaranteeing users' data sovereignty. To make the most out of the data we produce, we also need to enable the deployment of EU data spaces in key public and private sectors. Only by integrating data and network technologies at European scale can we attain the next generation of resilient and competitive cloud offering. But we must act rapidly and together.

The next generation EU cloud offering should meet the needs of EU businesses and public sector. For this purpose, it should aim for the highest standards in terms of data protection, cybersecurity, data portability/reversibility, interoperability, transparency, openness, energy efficiency, performance and reliability. Completely interoperable, open, multi-vendor cloud platforms and services, based on European, international or open source standards, will enable

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[1] *Digital Economy and Society Index*: https://ec.europa.eu/digital-single-market/en/desi

[2] Figures of IDC and Synergy Research Group.

[3] SWD(2020) 98 final, *Identifying Europe's recovery needs*: https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1590742540196&uri=SWD%3A2020%3A98%3AFIN

users to migrate effectively to the cloud, reaping its full economic benefits and availing of a high degree of choice in the market.

As announced in the EU Data Strategy[4], Member States and industry are invited to co-invest with the Commission in the European cloud federation and common data spaces. The Commission aims at financing €2 billion in this area over 2021-2027, drawing upon different spending programmes including the Digital Europe Programme, Connecting Europe Facility 2 and the financial instrument InvestEU.[5] The proposed Recovery and Resilience Facility will make additional financing available for Member States (20% of the Recovery and Resilience Facility should be invested for the digital transition) to upgrade their existing data infrastructures and stimulate cloud uptake. As a result, the total funding in cloud and data could reach up to €10 billion.

The Member State Signatories agree to work together towards a European cloud federation initiative to shape the next generation secure, energy-efficient and interoperable cloud supply for Europe. They agree to cooperate towards one set of common technical rules and norms (future EU Cloud Rulebook) and the deployment of interconnected cloud capacities across the EU, including common marketplaces. The implementation of the European cloud federation initiative will be facilitated by the Commission, gathering as many European partners as possible. It will be driven by the European Alliance for Industrial Data and Cloud and bring together cross-border initiatives meeting the European requirements. Once operational, Member States and industry will be free and without obligation to buy services provided by operators that are part of European cloud federation.

The European cloud federation initiative will aim at creating synergies between national and cross-border initiatives, to enhance and broaden their scale and coverage. The Gaia-X initiative for "a European federated data infrastructure" is a leading example of a public-private initiative aiming at a broad European scope. Together with this, many Member States already have national cloud initiatives that can provide the basis for further cooperation, such as: the Polish Common State IT Infrastructure Program (WIIP), Italian Cloud for public administration, Belgium's G-Cloud, Estonia Government Cloud, French cloud strategy for public administration, Spanish cloud strategy for the state public administration, Portugal's National Cloud Strategy for Public Administration, Greece's G-Cloud, Ireland's G-Cloud, and Lithuania's project on the government infrastructure consolidation.

The Signatories agree to work together on the European cloud federation initiative, by:

1. *Investing to shape the next generation of competitive cloud infrastructures and services for businesses, the public sector or areas of public interest.*

- Stimulating the emergence of a **resilient and competitive European supply for the public and private sector needs** of highly trusted, secure, interoperable and energy-efficient cloud infrastructure and services, covering all architecture levels and encompassing the edge.

[4] https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/european-data-strategy_en
[5] Without prejudice to on-going budgetary negotiations.

- Working together with the Commission to deliver options for a **European cloud federation initiative, together with an ambitious investment plan**, gathering private, national and EU efforts. The initiative will aim to interconnect data processing and storage infrastructures across the EU territory, leading to the next generation of European cloud and edge services. It will be complemented by new data sharing tools, architectures and governance mechanisms for thriving data sharing, and efforts to develop relevant skills and competences.

- Supporting the launch of a **European Alliance for Industrial Data and Cloud**, as the driving force of the European cloud federation initiative. The Signatories agree to encourage broad European industry participation across sectors in the Alliance. All interested Member States should have the possibility to join the Alliance, which should ensure EU geographical representativeness. The Alliance will be facilitated by the Commission. Building upon existing industrial initiatives, it will have the mandate to design the detailed business, investment and implementation plan to deploy the next generation cloud capacities for the public and private sectors. It will also foster the emergence of **cross-sectoral data, computing and industrial ecosystems**.

- Where possible, **mobilising national public and private funds to (co-)invest** in the pan-European deployment of trusted, secure, interoperable, energy-efficient federated cloud infrastructures and services, through an open and transparent process. Member States and eligible countries should encourage public and private entities to leverage proposed EU programmes and financial instruments, such as the proposed Invest EU, Digital Europe Programme, Connecting Europe Facility, Horizon Europe and the Recovery Plan for Europe.

- To modernise public sector cloud capacities, identifying, on a voluntary basis, appropriate use cases for interconnecting **existing national, regional and/or local public sector cloud capacities**, without prejudice to legitimate considerations related to national security. This could enable public sector bodies to reduce their operating costs and carbon footprint, stimulate cloud uptake and ultimately shape pan-European data storage and processing capacities enabling a swift delivery of public services for EU citizens and businesses.

- Striving to make the EU a worldwide data hub, by increasing the attractiveness of the EU for data storage and processing activities towards relevant international partners.

2. *Defining a common approach on federating cloud capacities at European level, notably by creating synergies with and building on existing national initiatives.*

- Cooperating with the Commission to define and implement **common conditions of participation in European cloud federation** through a set of norms (such as technical standards, codes of conduct[6] and certifications, including those foreseen in EU legislation), building on existing European initiatives. Cloud providers participating in European cloud federation should guarantee European standards in terms of security, data protection, consumer protection, data portability and energy efficiency and contribute to European digital sovereignty, while meeting diverse cloud user needs and ensuring competitiveness. They must provide adequate assurance and enable EU citizens, public sector and businesses

[6] E.g. EU Codes of Conduct on data protection or data portability (also known as 'SWIPO')

to maintain control over strategic and sensitive data. In particular, while all cloud providers are welcome in European cloud federation, the resulting cloud capacities should not be subject to laws of foreign jurisdictions. In case providers are subject to such laws, they should demonstrate that verified safeguards are in place in order to ensure that any access request to data of EU citizens, businesses and entities is compliant with EU Law. This set of norms should be compiled in an **EU Cloud Rulebook**, to foster broader market awareness and adherence to these norms by cloud services operating in Europe. The Commission should develop the Rulebook with close involvement of Member States, while taking into account suppliers and users. It should be regularly updated, and stimulate the participation of SMEs in European cloud federation.

- Working towards **technical solutions for federating European cloud capacities (common standards, profiles and technical specifications)** in order to ensure portability, trust, data protection, security and interoperability. The signatories agree to cooperate with the Commission and to encourage relevant stakeholders to formulate those technical requirements, identify suitable standards and explore the need to develop new voluntary European standard(s), in cooperation with existing European public and private initiatives.

- Cooperating with the Commission in the **swift deployment of European data spaces**, amongst other by developing the framework for interoperability between industrial and public partners of a data space using different cloud providers, which is essential for trust.

- Supporting the deployment of **common and interoperable EU cloud marketplaces**, facilitated by the Commission, to help in particular public entities and SMEs to find the cloud offering adapted to their needs and compliant with European legislation and values. This includes encouraging relevant stakeholders and leveraging the Digital Europe Programme. Such marketplaces could be built on existing public and/or private initiatives.

3. *Driving the uptake of trustworthy, secure, and energy-efficient data processing capacities for small and medium-sized enterprises (SMEs), start-ups and public administration.*

- Acknowledging the **leading role of the public sector** in cloud and edge uptake, in particular by: exploring the adoption and implementation of 'cloud first' and multi-cloud policies at national, regional and local levels; recognising the need to develop **EU common requirements and standards for cloud procurement**, in cooperation with the Commission and existing initiatives, and implementing them in procurement procedures; considering demand aggregation of public administrations, and subsequently by working towards common cloud procurement.
- Leading a shift towards **more secure and energy-efficient data centers and cloud services**, including by promoting the new EU green public procurement criteria services[7] in procurement national action plans.
- Supporting **advanced education, training and new digital skills** development related to cloud computing, primarily for SMEs, start-ups and public sector, including by leveraging

[7] https://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

the proposed Digital Europe Programme and by making use of EU structural funds, in line with EU State aid rules.

Through the actions above, the Signatories agree to act decisively, in close cooperation with the Commission, to achieve the **deployment of next generation cloud supply for EU businesses and the public sector**, **ensuring a high degree of EU digital and data sovereignty**, by:

- ✓ combining private, national and EU investment efforts;
- ✓ aiming for high-level of trust, security, interoperability and energy-efficiency;
- ✓ supporting the launch of the European Alliance for Industrial Data and Clouds, and ensuring one set of common technical solutions and policy rules for cloud federation;
- ✓ leading by example in the uptake of cloud to boost Europe's recovery through digital.