



LE GOUVERNEMENT
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Service des médias et des communications

Speech by Prime Minister Xavier Bettel at European Data Forum 2015

Luxembourg, 16.11.2015

Dear Vice-President of the Commission, Excellencies, Ladies and Gentlemen,

I am proud to welcome all of you here today – industry leaders, researchers and policymakers - to discuss the **challenges and opportunities of data-driven innovation**.

A big **thank you** goes to the **Commission's Directorate G of DG CNECT based here in Luxembourg**, and in particular the Data Value Chain unit for organizing this important forum. I would also like to thank everyone else who has made this event possible.

Let me come straight away to an issue that has been on my mind for a while now, and which - it seems to me - is becoming more and more urgent by the day.

How can we best leverage the potential of Big Data in Europe?

While our hosting of the European Data Forum follows from our Presidency of the Council of the EU, this is a topic of particular interest to us as a country.

I will take you on a journey from the beginnings of commercial radio and television 90 years ago right up to today's digital society. How did we get to where we are now, and what should we do? And, above all, **what are the most important challenges** that the Luxembourg and European digital economies now face?

So much has been done in this field by so many, the world over. But I am proud that Luxembourg has always shouldered at least its fair share, often spearheading the developments of Europe's economy.

You might be surprised to hear this - as some primarily associate Luxembourg with Steel, Finance, (or the EU institutions!) - ... but from its earliest days, **the data and telecommunications revolution has been a focal point of our economy**.

Many of you may know that, beginning in the 1930s, Luxembourg was home to one of the most successful radio broadcasters in Europe. As one of the very first private radio stations on the continent, **Radio Luxembourg** was groundbreaking, launching across borders icons like the Beatles and bringing hope and rock to millions on both sides of the Iron Curtain. Up to today, Europe's Baby Boomers continue to associate us with freedom and empowering media pluralism.

In the 1960s we innovated by **pioneering commercial television**, thus again diversifying content offer across the continent. To this day, **RTL group**, headquartered in Luxembourg, remains Europe's leading entertainment network.

Being small should not prevent you from dreaming big, Ladies and Gentlemen, and sometimes, you need **not only to think big, but act big** as well. Our third major foray – and perhaps the most spectacular one - was into **Space**. In the 1980s, with the help of government through a partnership between the public and private sectors, Luxembourg pioneered the private launch of Telecom satellites. We believed in satellite transmission to reach a global audience at a time when nobody else did. Everyone else thought we had gone crazy, but time proved us right. Today home satellite dishes are everywhere, and **SES – a true European champion – is the world's largest telecommunications satellite operator by profit**, able to reach 99% of the world's population.

Since then, we have seamlessly transitioned into the internet economy, contributing along the way to other major European successes, with the likes of Skype, with its Estonian-based engineering and Luxembourg venture-capital having been founded by a pan-European team here in Luxembourg.

And I can tell you that **we remain committed to grow as a major technology hub**. According to the European Commission, Luxembourg is one of the Member States with the highest percentage share of its workforce employed in ICT, and this share has been growing at one of the fastest rates in the EU.

Here in Luxembourg, we fully believe that **the ongoing digital shift benefits our country as a whole**, providing the foundation for a real data-economy and a knowledge-based society.

With each passing day we all experience how the line between a so called digital and analog world is becoming increasingly blurry, with digital technology progressively permeating all levels of economic and social activity. Today **digital technology is no longer 'just a sector' – it is an essential element** of competitiveness, the lifeblood of our economies, and more and more, of our societies.

In recognition of this, a year ago we launched **Digital Luxembourg**, a horizontal initiative aimed at helping the wider digital transformation of society and reshaping the way we do government.

Questions like:

...how do we **develop the digital skills** that we need - and in the case of this conference - how do we **train the Data Scientists** of tomorrow?

...how easy is it to **set up a new innovative business**?

... how do we **develop a relevant Open Data policy**, including facilitating access to laws and regulations?

... or how do we deal with **data protection and privacy** while unleashing the power of Big Data in an ever more interconnected world?

...these, are just some of the crucial issues we knew we had to address if we are to stay ahead of the curve.

It is the role of Government to deliver on these challenges. But **Governments cannot do this alone – companies, NGOs and academia, have a vital role to play** in shaping this transformation.

This is why we made Digital Luxembourg **a horizontal initiative by design**, systematically bringing together public and private stakeholders. Together, we are better equipped to address the pressing issues we face.

Our aim is therefore to **do away with unnecessary obstacles**, and in particular, to **break out-of-date silos** across different government departments, as well as those between government and other stakeholders.

Of particular interest to many of you in our Digital Luxembourg initiative, is the **development of smart specializations** in Big Data areas such as Transport, Biotech & Healthcare, and Finance, as well as our work **building synergies** between these specializations.

In addition, we are keen to foster cooperation between our established research in the field of Trust & Security and these new data-driven fields.

As was highlighted by Mr. Creen in his speech, great work is already being done in our various **research institutes**, which we plan to consolidate in the coming years.

Indeed, if any of you, Ladies and Gentlemen, have some spare time, I invite you to go and **visit Esch-Belval** - not so long ago a derelict steel plant, now home to a thriving research community - and as such, a perfect symbol of the transformative effect of the major economic shifts at play. You can also follow us on twitter or sign-up to the Digital Luxembourg newsletter to see our progress as it unfolds.

Nonetheless, we still have great challenges ahead of us. The true beauty and power of digital technologies is that they are **in essence cross-border**.

This is even more the case when it comes to Big Data, where interlinking different data sets, wherever they originated, can lead to major unexpected synergies and breakthroughs.

The potential benefits are clear, but so is the fact that adopting a transversal approach at national level is just not enough. Here again we have to break the silo mentality - **while Member States have an important role to play, so does the EU**.

This is, at its core, **a European tale**, a tale **that needs more Europe, not less**. A Europe-wide framework and cross-border cooperation are essential for all of us, both big and small, the Member States and the Union. Let Europe together face the challenging, fascinating world of today, so we can build a better world for the future.

I am proud to say - and I feel it is no overstatement- that **Luxembourg, as a founding member of the EU** that has continuously been at the forefront of cross-border information technology in Europe, **helped lay the foundations for the Digital Single Market.**

Luxembourg has **consistently stood in favour of European integration**, and we fully support the Commission's prioritization of the Digital Economy. As such, we have **welcomed the Digital Single Market initiative from day one.**

We are delighted to see the same horizontality we have opted for on a national level reflected in the Commission's approach, and I can only **praise the appointment of a dedicated Vice-President to the Digital Single Market of the caliber of Commissioner Ansip**, the man behind e-Estonia, whom we have the great honour of having here with us today. We also warmly welcome the announced **Juncker investment plan**, heralding major investments, including in cross-border projects.

In particular, we have high hopes to see **increased investment in backbone connectivity across borders**, for these are the highways of the 21st century. With other countries, we strongly believe that we must step up our ambitions. We should aim for every community across the continent to have **access to broadband**, whether through fibre, cable, mobile or satellite. In Luxembourg this goal has already almost been reached, with coverage rates of over 94% for Next Generation Access networks.

We also hope to see **major investment in Europe's data processing capacity**. And here the focus should be not only on **infrastructure** but also on **training and attracting the talents** that can help Europe lead the data revolution.

Ladies & Gentlemen, if I seem so passionate about cross-border co-operation, this is because as an ICT oriented country at the heart of Europe, Luxembourg bears every day **the burden and limitations of the fragmentation of Europe's digital market** into 28 national markets. Divergent regulations and all-too-common practices such as arbitrary data hosting requirements or geo-blocking all combine to exacerbate this issue.

These difficulties are particularly felt by our very own European tech champions, and in particular the smaller ones, as they fight to scale their business beyond their home country across Europe. It is **more legal certainty, more quality infrastructure, and more Europe** that our entrepreneurs need and want.

I believe this is **an area where we can demonstrate that Europe is able to deliver**, and where the benefits of the EU can be concrete and tangible to us all.

Whether through the work done at institutional level or by you as major stakeholders, here too at the European level, we should not forget the **importance of cooperating**. It is events like these that allow us to meet people outside our usual circles that will lead to unexpected collaborations and breakthroughs.

Today's breakthroughs are about **data-driven innovation**. To fully reap the potential of the rise of Big Data we have to ensure that data, the currency of the new digital economy, its relays and its intermediaries, can all be trusted. Furthermore, the intrinsic value and potential of these data lies in their interconnections and processing. But for this to develop, we need to

ensure there is **an adequate level of trust** from both citizens and companies in data fluxes across Europe.

This, however, cannot happen while we still have a data protection framework dating back from the 90s. We urgently need to **modernise our data protection rules** and make them fit for the digital era, taking into account the **legitimate concerns for privacy** of citizens on one hand, and the **scientific and economic interests** of the research and business communities on the other.

I can assure you that **the ongoing reform of the data protection legal framework is a foremost priority of the Luxembourg Presidency**, and we are working hard to find an agreement by the end of this year. Achieving a single set of rules across Europe will be a major milestone towards a fully functional Digital Single Market, and will provide much needed legal certainty at this crucial time.

Ladies & Gentlemen, this might be **Luxembourg's 12th Presidency of the Council**, but I assure you, the role remains as challenging as ever. Our aim has always been for these 6 months to see Europe move forward on all fronts. With your help, Big Data shall be no exception and **together we will move Europe forward over the next two days**. So let us go ahead and take full advantage of the wealth of knowledge and networking opportunities available here!

Ladies & Gentlemen, I wish you all a very productive and enjoyable time in Luxembourg.

Thank you.