**COUNCIL OF
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NOTE

from :	General Secretariat of the Council
to :	Delegations
Subject :	**Summary record of the plenary session of the European Parliament, held in Strasbourg on 10 September 2013** • **Joint debate "Cyber security/Digital agenda"**

Mr Rohde (ALDE, DK), the author of the oral questions to the Council and the Commission on the digital agenda, stressed that the Parliament would stand unanimously behind the Commission and invited the latter to make maximum use of this support to complete the internal market for telecommunications. He also urged the Council to be more ambitious in this area.

Minister Linkevičius, on behalf of the Council, delivered the speech set out in Annex I.

Ms Kroes, on behalf of the Commission, delivered the speech set out in Annex II.

The speakers intervening on behalf of their political groups made the following points:

- Mr Iacolino (EPP, IT) called for a credible and concrete digital agenda to create a real IT single market. He considered that the EU needed an appropriate legislative framework for responding to citizens' concerns and argued that the IT mass evolution must be accompanied by the necessary cyber security. He called for the tackling of the frequent violations of communication systems, not least given the losses generated by cyber crimes.

- Mr Garcés Ramón (S&D, ES) considered that a cyber security strategy was a vital component of the security and defence policies of the EU and Member States. He took the view that a secure and reliable digital environment should ensure the protection of all the rights and values of the EU. He also called for an investigation into the massive US espionage and argued that the current EU-US trade negotiations should ultimately guarantee the EU's institutional independence and citizens' rights.

- Mr Manders (ALDE, NL) felt that not much was being done on the digital agenda and that Member States were stalling. He pointed out that the completion of the digital agenda relied heavily on US companies. The creation of the digital single market ultimately depended on consumer confidence.

- Mr Schlyter (Greens/EFA, SE) said that cyber security was a civil issue and asked the Parliament to address it as such. He agreed with the Commission's assertion that the EU was under surveillance. He argued, accordingly, that cyber security should ensure, amongst other things, that there were no victims of spying.

- Mr Tošenovský (ECR, CZ) took the view that the Parliament had found a balanced approach. He stressed the importance of the IT sector for boosting the European economy. He added that a special focus should be on broadband internet and that investment should also come from private companies.

- Ms Vergiat (GUE/NGL, FR) pointed out that the Parliament was contradicting itself since, on the one hand, it was upholding more stringent security measures and enhanced police cooperation between Member States and with the US, yet on the other it was critical of the US spying activities. She recognised the great potential of the IT sector, however no citizen should be a victim of state spying.

- Mr Paška (EFD, SK) recalled that the EU 2020 strategy included the objective of a European economy based on knowledge and innovation, yet Europe was lagging behind. So more effective measures were needed to meet the economy's needs.

The comments by individual Members, broadly reflected the previous statements. There was a general demand for cyber security aimed at ensuring consumers' trust and protecting citizens' rights. Many speakers also called for the completion of the digital market and for the EU to assume a leading role on the global stage in this sector.

In her closing statement, Commissioner Kroes recalled the importance of the online world and expressed her determination to establish a genuine single market, which required, amongst other things, bringing an end to roaming and other barriers. Minister Linkevičius concluded the debate by saying that he could agree with much of what had been said and that the Council shared many of the concerns. He stressed that the digital agenda was high on the Presidency's agenda but recognised that additional efforts were required. On the issue of roaming, he considered that the priority had to be rapid and correct implementation of the Roaming III Regulation rather than seeking to change the rules now, since this could have negative consequences on operators' investment decisions.

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Speech by Minister Linkevičius, Strasbourg, 10 September 2013

Mr President, the oral question tabled by Mr Rohde covers most of the topics relevant to our current reflections on the Digital Agenda, and it states at the outset that the digitisation of the EU economy has the potential to boost growth and create jobs. This is something that the Council fully agrees with.

The Internet and new information society applications are changing our lives at a rapid pace. Digital technologies have the potential to provide Europeans with a better quality of life through, for example, better healthcare, safer transport, efficient energy distribution, consumption, new media opportunities and easier cross-border access to goods and services. The growth of the telecoms sector also helps increase productivity, competitiveness and employment opportunities in other sectors.

The honourable Member questions whether the EU's fixed and mobile communications broadband networks have sufficient capacity to deal with the expected growth in global data traffic and whether the level of investment in these networks is sufficient. This is a concern which the Council fully shares.

Let me also assure you, on behalf of the Lithuanian Presidency, that the Digital Agenda for Europe is at the top of our agenda and, speaking frankly, let me use this opportunity to mention that the biggest event during our presidency will be the ICT 2013 Conference which will take place in Vilnius on 6-8 November 2013. We are expecting about 4 000 participants, and all interested Members of the European Parliament are obviously most welcome. I mention it simply to emphasise that this really is our top priority issue.

Last December the Telecoms Council broadly endorsed seven transformative actions launched by the Commission: completing the digital single market for content and services; speeding up public sector innovation; establishing high-speed broadband connections; cloud computing; trust and security linked to the proposal for e-identification and to the cybersecurity strategy; digital jobs and skills; and the industrial agenda for key enabling technologies.

At the June Telecoms Council, ministers expressed broad support for the aim of achieving a single telecoms market where operators could deliver services throughout the EU and where users could access such added-value digital services whenever and wherever they wished. The honourable Member asks whether the current proposals will help address the challenge of achieving a single digital market. There is no doubt that these proposals will make a significant contribution to the expansion of broadband networks and ensure that electronic transactions can be carried out securely.

We are committed to making rapid progress on the issues to which I have referred and we look forward to close cooperation with Parliament to assist us in this goal.

The honourable Member also asks for the Council's views on the proposal which is expected to be adopted by the Commission tomorrow on the completion of the European single market for electronic communications. In the light of a possible review of the regulatory framework, you will appreciate that I cannot comment on a proposal which has not yet been issued. I appreciate, however, that underlying the question is a concern that, despite major efforts and the adoption of important pieces of legislation, we may not be on track to achieve the single telecoms market.

The Council would expect any review to be comprehensive and to ensure proper balance between the supply and demand sides of the digital market. This means that operators should be able to grow to a point where they can compete effectively and invest sufficiently in the required networks, and at the same time consumers need to be adequately protected and citizens' rights must be guaranteed: that is also very important. This should mean, inter alia, data protection for all operators and ensuring reliable access to the internet.

Our aim is to ensure that the digital economy gets the broadband networks it needs, whether fixed or mobile. For this, investment in broadband networks is needed and sufficient radio spectrum has to be made available, particularly with a view to accelerating the transition to fourth generation mobile communications.

The role of national regulators also needs to be reviewed and could include ensuring closer coordination on the management of radio spectrum and more generally providing an appropriate level of market competition to support a single telecoms market in which EU-based operators, and not companies from third countries, are the key players.

Next month's European Council will consider the Commission's report on progress in completing the digital single market. We hope that this report will support the preferred approach with adequate evidence and that this approach will be based on a comprehensive review of the whole sector, taking full account of the interests of all parties.

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Speech by Ms Kroes, Strasbourg, 10 September 2013

Mr President, Minister, honourable Members, and especially the rapporteur, Mr Rohde, I am grateful for the debate tonight and for the very timely remarks that Mr Rohde has made. I was just thinking today that every Member State has a 'digital champion' but I would love to have a couple of digital champions from the European Parliament too, and I sincerely hope, Mr Rohde, that you would be one of the candidates for that job.

Today I want to set out how we are building a digital Europe with networks that are fast, reliable and resilient and digital businesses that can grow and prosper in the global marketplace.

Once, Europe led the world with the latest digital technology. With GSM (the Global System for Mobile Communications), Europe developed a new technology standard that took over, and many of the devices that used it were also made by European companies. Well, we have lost our lead. We have just 6% of the world's 4G, and last week Nokia sold much of its business to Microsoft. There are many reasons why a particular company can prosper or stumble, but the fact remains that ICT is a key sector, increasingly underpinning many others and increasingly indispensable to our citizens.

So look at the big picture and ask yourself this: how much space are we giving companies to expand and grow? Are we giving them the ingredients for global success? Are we giving ourselves the tools to compete in a digital era?

I worry that the answer is no and, having read the resolution from the Committee on Industry, Research and Energy, I think that you and your committee agree. I would like to thank you again, Mr Rohde, for that report. We need to do more to support digital businesses. We need to do more to give them a home market which is digital, dynamic and unified and to give them, and every European, the connectivity they crave.

We must address the challenge of building a connected continent, and we are doing so. Our cybersecurity strategy is an important step towards ensuring resilient, secure networks for a competitive economy. The consequences of a major incident could be devastating and no European wants to be hacked, attacked, or spied on. So I am pleased to have Parliament's position on this issue – many thanks to Mr Schwab and his colleagues – and you will be aware that the Council, too, has reached a positive conclusion on it.

I agree with you that we should integrate cyber issues into our external action and I also agree that Europe needs minimum cybersecurity requirements. Our proposed legislation would put these in place, together with risk management and flexible information flows. We rely increasingly on this infrastructure for everything, and protecting it should be every politician's top priority.

I therefore urge Parliament and the Council to act accordingly: to agree this legislation as quickly as possible within the current parliamentary term.

We are also advancing on other fronts towards building a digital Europe. This week I hope the College of Commissioners will formally approve a new approach to costing and discrimination in telecoms networks, giving operators the stable framework they need for investment in high-speed broadband, rightly mentioned by Mr Rohde. Hopefully that approval will come tomorrow.

We have put forward legislation to cut the cost of broadband roll-out, streamlining the process to save EUR 40-60 billion. There are proposals on e-identification to build trust and stimulate the online marketplace; rules on web accessibility so that more and more people can access essential websites; and a digital Connecting Europe facility, which could provide the building blocks for further quality online European services.

As you know, our job is limited to proposing legislation. These valuable proposals now rest in the hands of the legislator. All the proposals are important. They will help us to build the kind of vibrant online Europe that we all want, and they need to be agreed – urgently please – but it is becoming clear to me that they are still not enough. I do not propose to change our focus or our goals but I want to use the tools readily to hand and to support every part of the ecosystem.

The single market is our crown jewel. It is time we brought that boost to this most fundamental part of our economy – the digital networks on which our daily lives depend so deeply. In his State of the Union speech tomorrow, President Barroso will set out new Commission plans for how to build that connected continent.

There is one more point I want to discuss today. The resolution from your Committee on Industry, Research and Energy underlines how important entrepreneurs are: they represent an alternative career path in a time of unemployment and they are a necessary source of stimulus in a time of low growth. I agree completely, and if you are as passionate as I am about this cause – and I am certain you are – let me offer you a way to channel that passion ...

I gathered together some of Europe's top entrepreneurs – some of the guys and girls who have made it, so to speak – and I asked them to give me their suggestions on how to make Europe a better place for innovators. Give us a better chance that the next Facebook will come from here in Europe, they replied; give us a better chance of stimulating quality jobs in a digital economy. When I asked them, 'If you were me, in my job' – and I hastened to add that there was no vacancy – 'tell me what you would think?' they wrote a whole manifesto – a manifesto for a stronger, more dynamic EU, better at supporting web innovators. More than 2 000 people have already signed up to show they agree with that manifesto, and it would be great if you too would sign it.

It is the sort of manifesto capable of creating a positive tsunami: that is, a wake-up call for everybody. Supporting it means making a great effort – and taking a big step forward for our connected continent.

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