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DG GROW
Visit Tomasz Husak Google Campus Warsaw
Warsaw, 1 June 2016

Name of the Director who has cleared the briefing: Slawomir Tokarski
BASIS request ID: CAB 285
Room, time: Google Campus in Warsaw, 14:30
Participants: Ms [redacted] and Ms [redacted]
Name of main contact person: [redacted] (F3, [redacted]), [redacted] (F2, [redacted]), [redacted] (F5, [redacted])
Directorate/Unit: F/F2/F3/F5

BRIEFING NOTE

Context of the meeting:

You will visit the Warsaw Google campus, run by Google for entrepreneurs to go to learn, share ideas, and launch startups for free (membership only involves signing up and gives access to all services and infrastructure available).

Google for Entrepreneurs (GFE) partners with startup communities and builds Campuses where entrepreneurs can learn, connect, and create companies. Since 2011, Google launched Campuses and formed partnerships that support entrepreneurs across 125 countries.

In Europe, Google runs Campuses in London, Madrid and Warsaw. In 2015 over 67000 people participated in programs at these European Campuses. Alongside these Google-operated spaces, Google partners with a number of leading independent tech hubs in major European ecosystems. In addition to existing partners in Berlin (Factory) and Paris (NUMA), since mid-2015 GFE has launched partnerships with Epicenter in Stockholm and Dogpatch Labsin Dublin, and announced a deep collaboration with The Next Web in Holland.

Google Ventures with the global pool of funds exceeding 400M dollars has its European headquarters in London and invested in European startups like Kobalt, Oxford Sciences Innovation, Yieldify, Secret Escapes, Lostmy.name, and Resolution Games.

MAIN KEY messages

- The situation regarding the lack of digital skills is improving: The estimated gap by 2020 is now 756,000 (compared to 900,000 estimated in 2013) as our efforts are bearing fruits.

- Thank Google for the participation of Mr [redacted], Europe President of Strategic Relationships, in the Conference on IPR Enforcement to be held in Brussels on 21 June.

- We want to embed entrepreneurship as a key competence in all levels of education and also reach segments whose potential is not yet sufficiently exploited.

- The Commission is now carrying out an evaluation of the overall functioning of the current legal framework for the enforcement of IPR.

- The Commission has also engaged in a dialogue with rightholders, intermediaries and all other parties concerned to implement the so-called "follow the money" approach in IPR enforcement.

KEY messages

SKILLS

- Europe must fully embrace the digital revolution and create a Digital Single Market for people and businesses; To be successful, Europe needs a larger digital talent pool (ICT professionals and e-leaders) and a digitally literate workforce and more inclusive society; It is estimated that by 2020 there would be a gap in Europe of over 756.000 highly-skilled ICT professionals (Source: empirica, November 2015).

- We need also digital leaders (+200,000 till 2020) and specialists in key enabling technologies. PricewaterhouseCoopers forecast a potential for a skills gap in the range of approximately 21,000 to 83,000 highly-skilled KETs employees per year and 10,000 to 44,000 medium-skilled KETs workers per year, depending on how the field develops. The "e-Skills for Jobs" campaign (2014-2016) is mobilizing a large number of stakeholders (over 350) and has reached more than 100 million people;

- The number of young people entering IT education and training is increasing (after many years of decline). This momentum must be sustained because there is a global war for digital talent. The Commission is planning to relaunch the "Grand Coalition for Digital Jobs" in 4Q2016. It will move from the initial target of ICT professionals skills to address the broader digital skills requirements of the workforce and society;

- In this respect, an effort is underway to mainstream high-tech skills (not just digital) in our policies on the modernisation and the digital transformation of the European economy. The "New Skills Agenda for Europe" (adoption planned for 7th of June 2016) will integrate digital skills as a priority; The main challenge for the future will be to successfully scale up best practices building on the mobilisation of Member States and stakeholders and to make a better use of existing funding instruments at all levels.

Questions to the interlocutor(s)

- How is the issue of digital skills embedded in the wider context of digitalisation? What challenges remain for business in Europe?

ENTREPRENEURSHIP

- The Entrepreneurship 2020 Action Plan proposes to embed entrepreneurship as a key competence in all levels of education.
- We also aim to reach segments of the population whose entrepreneurial potential is not sufficiently exploited, like women and migrants.
- Under the Single Market Strategy, the Commission launched a public consultation (still open) to seek feedback on needs and concerns of European start-ups.

Questions to the interlocutor(s)

- What is the impact so far of the Google for Entrepreneurs programme? And what is the vision for the future of this programme and its sustainability in the long term?
- Based on Google's experience in partnering with stat-up communities, which public policy interventions would you consider as useful in order to further promote and support start-ups in Europe? Does Google plan to contribute to the public consultation on Start-ups launched by the Commission?
- To what extent are Google's actions to promote entrepreneurship target specific groups of the population, such as women, seniors and migrants?
- In particular is Google involved in, or aware of, effective schemes to support entrepreneurs with a migrant background?

IPR ENFORCEMENT/FOLLOW THE MONEY

- The DSM and the Single Market Strategy announced the modernisation of the enforcement of intellectual property rights (IPR). Action is required to strengthen the protection of all IPR, including copyright.

- The Commission is now carrying out an evaluation of the overall functioning of the current legal framework for the enforcement of IPR. This includes a public consultation and stakeholder workshops. The evaluation will assess the functioning of a number of key provisions of IPRED in the online environment, with a view to identify the possible need for adapting such provisions and to propose corrective measures, with a focus on commercial scale infringements.

- The Commission has also engaged in a dialogue with rightholders, intermediaries and all other parties concerned to implement the so-called "follow the money" approach in IPR enforcement, seeking to deprive commercial scale infringers of the revenue flows that draw them into such activities.

- "Follow the money" means an in-depth assessment of the role intermediaries – online and offline – can play in preventing IPR infringements. This includes internet sales platforms, payment service providers, the advertising sector and shipping companies. A conference on the topic will be held in Brussels on 21 June where Google will participate.

Defensives / Q&A

What is it so important to train young people in entrepreneurship, and why is entrepreneurial education the first Pillar of the Entrepreneurship 2020 Action Plan?

Policy makers and education leaders increasingly recognize the benefits that higher levels of entrepreneurial attitudes and skills can bring to the economy, but also to society at large.

Participants in entrepreneurship education are not only more likely than other groups to engage in entrepreneurship, but that they are also more employable. Entrepreneurial employees within a business can help enhance productivity, increase adaptability, and ensure that opportunities are fully realized.

We know that investing in entrepreneurship education is a high return on investment. The start-up rate among students who have run a mini-company in secondary schools is around three times as high as among the average population. These start-ups also tend to be more innovative, to have a larger turnover and to employ more people.

What is the Commission doing to foster entrepreneurship education?

The Commission is working in close cooperation with national authorities and other relevant stakeholders to promote education for entrepreneurship, acting as a catalyst and encouraging the sharing of knowledge and experience. It organises workshops with practitioners and policy makers, publishes guidelines and case studies, funds European projects addressing key issues such as the training of teachers and the assessment of entrepreneurial skills acquired by young people.

The Action Plan stresses the need to embed entrepreneurship as a key competence in all levels of education and to offer all young people a practical experience of entrepreneurship, to prepare a new generation of entrepreneurs. Funding from the Erasmus+ programme is supporting national authorities in introducing a practical entrepreneurial experience in their education systems.

Also last year a European Entrepreneurship Education Network was launched through a COSME grant to support policy development across countries. The objective is to reinforce cooperation and encourage peer learning among policy makers.

What does the Commission intend to do to support female entrepreneurship?

The Commission promotes and supports female entrepreneurship with concrete actions within the framework of the Entrepreneurship Action Plan. In particular during 2016 we will launch an on-line platform to serve as one stop shop for starting up and providing training, mentoring, advice and business networking opportunities for women.

We also intent to increase access to alternative sources of funding for women entrepreneurs by creating a network of Women Business Angels and provide targeted training and mentoring support. This is based on a pilot project initiative from the European Parliament. The idea is to encourage more women to become business angels but also to facilitate more women entrepreneurs to seek alternative sources of funding for starting up and growing their business.

What will the Commission do to support migrant entrepreneurship, in order to help the integration of migrants and refugees?

With funding from COSME and from the European Parliament we will start in 2016 two actions. We intend to share approaches across and between public administrations, with the aim to develop new support schemes and to improve the existing ones based on the best practices identified. We will help the development of support measures, including training and mentoring, for potential entrepreneurs in migrant communities who may not be reached by traditional business start-up support services.

What kind of measures is the Commission foreseeing for SMEs and start-ups under the Single Market Strategy?

In addition to providing EU funding instruments, the Commission will also simplify VAT requirements, reduce the cost of company registration and put forward a proposal on insolvency to give entrepreneurs who fail a second chance.

Information on regulatory requirements should be accessible through a Single Digital Gateway and the Commission will push for high quality, online public services to reduce administrative burden and make Europe a more attractive destination for innovators from both inside and outside the EU.

IPR enforcement/follow the money

Why do we need again an evaluation of IPRED? The Commission had evaluated the directive in 2010 and consulted on the efficiency of civil enforcement of IPR in 2012.

- The value of the 2010 application report is limited, due to the late implementation of the directive in many Member States.
- The contributions to the 2012 consultation have provided initial evidence and information on the functioning of IPRED but do not provide for a solid evidence base, meeting better regulation standards.
- A public consultation is also necessary, not only to generate stakeholder views on the possible scope of a review (possibly allowing us to target the review to a few key issues), but also to ensure public support and buy-in.

- Stakeholders will watch carefully what the Commission is doing – do not forget the ACTA (Anti-counterfeiting trade agreement) debates in 2012.
- Last but not least, the Council and the European Parliament are expecting a thorough evaluation and analysis of the current legal framework before proposing amendments, if appropriate.

Why can we propose a legislative review of IPRED only by the end of 2016?

- We need a thorough evaluation of the current legislation and a solid evidence-base for a review - an evidence base that does not exist today.
- The scope of the revision of IPRED needs to be contingent upon the final shape of the entire copyright reform – the latter due not before mid-2016.
- Complying also with better regulation rules end of 2016 is the most optimistic scenario.

Why do we focus the initiative on commercial-scale infringements and not all infringements?

- Going after the individual infringer is neither cost-efficient nor effective. What is effective is to go after those who infringe or facilitate infringement by others on a commercial scale.
- These infringements undermine investment in innovation by law abiding companies, contributes to job losses, lost tax revenue and additional welfare spending due to counterfeit goods.

- Focussing IP enforcement policy on commercial scale has strong support, from business as well as the European Parliament and Member States.
- Civil society groups, who were fully mobilised during the ACTA debates in 2012, will also be particularly vigilant on this point.

Why can we conclude voluntary agreements on the application of the "follow-the-money approach" only in summer 2016?

- Because of different regulatory frameworks and different businesses and business models of intermediaries it does not seem feasible nor desirable to cover all activities in one agreement.
- Finding consensus with all parties concerned on the individual agreements will take time and depends on the willingness to cooperate of each party involved, regulatory and technical challenges and the experience of the different parties.
- The willingness of intermediaries will also depend very much on the development of the legal framework (carrot and stick).
- Finally consumer and civil rights organisations will only sign up to the exercise if the Commission ensures an open, transparent and honest process.
- Follow-the-money should be implemented without undue delay but rushing it risks to be counterproductive.

Background information

Skills

The EU e-skills strategy was presented in the Commission Communication: "e-Skills for the 21st Century: Fostering Competitiveness, Growth and Jobs" and the Competitiveness Council Conclusions in 2007 include a long term

agenda. The Grand Coalition for Digital Jobs was launched by President Barroso at the conference “e-Skills and Education for Digital Jobs” in March 2013 in Brussels. The Grand Coalition will be relaunched in 4Q2016.

Summary of main activities (2008-2016):

- Monitoring and forecasting supply and demand of ICT professionals;
- Benchmarking Member States policies and public private partnerships;
- Promoting ICT professionalism and the ICT profession;
- Promoting digital leadership skills (e-leadership) for enterprises and SMEs;
- Supporting the development of new curriculum development guidelines;
- Raising awareness: "e-Skills for Jobs" campaign (2014-2016).

The Commission released two evaluations of the implementation of the e-skills strategy in 2010 and in 2014 and a comprehensive analysis of the situation in Europe including the benchmarking of Member States and stakeholder initiatives:

The "e-Skills for Jobs" campaign aims to raise awareness on the importance and value of acquiring digital skills in today’s technology driven Europe. It covers the period 2015-2016. The target groups are youth, job seekers, IT professionals as well as policy and decision-makers across Europe. The campaign is coordinated by the Commission and is managed by DIGITALEUROPE and the European Schoolnet under a service contract.

In 2015, the e-Skills Manifesto (foreword from VP Ansip) was released at the conference on "Transforming Europe towards the Digital Age" organised with the Luxembourg Presidency on 15 December 2015 in Luxembourg with the participation of the Prime Minister, Xavier Bettel. The launch of the campaign took place in Riga on 13 March 2015 at a conference organised with the EU Latvian Presidency. At this occasion, the Riga Declaration on e-Skills was endorsed by numerous stakeholders and provided a useful contribution to the **Digital Single Market strategy** adopted by the Commission on 6 May 2015.

Facts and Figures

e-Skills for the 21st century: State-of-play (2008-2015)

- The development of the ICT workforce in Europe between 2000 and 2014 has been very dynamic. IDC and empirica revealed an excess demand of 262.000 ICT professionals in Europe in 2014 (more than

two times the annual number of ICT graduates). They gap will widen even further up to 756.000 until 2020.

- While increases in demand for management and business architecture level skilled ICT professionals and core ICT practitioners are strong, there is a decreasing demand for lower skilled - ICT technician types - of ICT jobs.
- Benchmarking of national policy activities has been performed in 2014 for the evaluation of the progress made on the implementation of the EU e-skills strategy. It triggered Member States to develop appropriate responses.

ICT professionalism

- The European e-Competence Framework is a common standard across Europe for ICT practitioners, employers and academia. It is developed by stakeholders and maintained by the European Standardisation Committee (CEN).
- In the Riga Declaration (13 March 2015), stakeholders stated that they support the development and the implementation of a European Framework for the ICT profession based on four building blocks: European e-Competence Framework; European ICT foundational body of knowledge; European recognition of ICT certifications and qualifications; and shared professional ethics".
- A proposal for a comprehensive European Framework for the ICT profession is under preparation and would be available in 2017.

Digital leadership skills (e-Leadership) for enterprises and SMEs

- The demand for highly skilled digital occupations has been forecasted to rise by an annual average of 4.6% until 2020.
- Demand for e-leadership is closely coupled with highest skilled digital jobs, resulting in a demand for e-leaders of 620,000 in 2015 and increasing to 776,000 in 2020. Based on these estimates and by adding the replacement demand, the EU will need at least 200,000 additional e-leaders by 2020. This presents a strong challenge to education systems.
- Pan-European guidelines for new curricula have been developed using stakeholder input and analysis of best practices in cooperation with technical universities, business schools and EIT Digital.

The Grand Coalition for Digital Jobs

- The Grand Coalition for Digital Jobs was launched in March 2013 in Brussels by President Barroso at the conference on “e-Skills and Education for Digital Jobs” with four Commissioners (Kroes, Andor, Tajani and Vassiliou). To date, there are 80 pledges and 13 national coalitions have been announced.

- There is synergy with the e-Skills for Jobs campaign. For example, a pre-conference workshop was organised on 14 December 2015 in Luxembourg;
- CNECT plans to relaunch the Grand Coalition in 4Q2016 and broaden its scope.
- **Example: Google pledge**: after the completion of their first pledge to the Grand Coalition, Google will provide digital skills training to **1 million Europeans** (not IT specialists) by 2016. Weltweit Wachsen (Germany) supports SMEs to use digital tools for exports. Activate (Spain): courses on web development and e-commerce to unemployed people. Made (Italy): Italian craftspeople to sell their wares online. Digital Garage (UK): face to face trainings in five cities for SMEs. Google Pour les Pros (France) trains SMEs and matches them with graduates. Google will build a European training hub to support businesses to get training online. Google for Entrepreneurs: 50,000 entrepreneurs across Europe through startup hubs in London, Warsaw, Madrid, Berlin and Paris. Google Computer Science Education for 100,000 young people from lower socioeconomic backgrounds and ethnic minorities.

"e-Skills for Jobs" campaign (2014-2016)

- Statistics for the campaign in 2014: 30 countries covered; 352 stakeholders involved, 848.263 participants at events; 2.152.219 people reached through the website and social media. In total, 115.807.723 people were exposed to the campaign. Two high-level events were organised with the Hellenic (6 May in Athens) and Italian EU Presidencies (30 October in Rome)
- Each EU Presidency is hosting a high-level event on e-skills. The campaign will be closed in Bratislava on 18 October 2016.

International talent competition and offshoring

- In Japan over 80% of IT and user companies report an e-skills shortage. In the US as the economy digitalized the IT skilled labour supply also failed to keep up. In Australia over 10,000 ICT jobs are created each year, although there are only 4,500 students studying ICT. Brazil's ICT sector requires about 78,000 new people by 2014 but there are only 33,000 youths studying ICT related courses.
- IDC estimates that on average 22% of total jobs impacted by offshoring are lost. Some 60,400 EU jobs were lost by 2012 and some 132,900 jobs are forecast to be lost by 2020. On average, some 9,000 jobs will be lost in the EU each year, starting from some 7,000 in 2013 to nearly 12,000 in 2020. UK will suffer the most ICT job losses, with up to 44,900 in 2020. France and Germany will follow,

with cumulative losses of 17,500 and 27,100 ICT jobs in 2020 respectively.

Skills for key enabling technologies

The Commission organised in June 2015 in Brussels a conference on Digital and key enabling technologies skills. KETs include micro and nanoelectronics, nanotechnology, industrial biotechnology, advanced materials, photonics, and advanced manufacturing technologies (Industry 4.0). KETs are very closely related to digital technologies.

- Demand for KETs skills in 2013 equalled an estimated total of 3,300,000 technical KETs professionals and associates. Highly-skilled KETs employment accounts for 55% of total employment, followed by 37% medium-skilled employment and 8% low-skilled employment.
- PwC estimates show that between 2013 and 2025 an additional 953,000 KETs professionals and associates with technical skills are needed to satisfy demand. PwC forecast a potential for a skills gap in the range of approximately 21,000 to 83,000 highly-skilled KETs employees per year and 10,000 to 44,000 medium-skilled KETs workers per year, depending on how the field develops.

Digital skills for citizens and students

- 96% of 15-year-old students in OECD countries reported having a computer at home in 2012, but only 72% reported using one at school;
- Between 50% and 80% of students never use digital textbooks, exercise software, broadcasts or podcasts, simulations or learning games;
- 40% of the EU population has an insufficient level of e-skills; 32% of the EU labour force has an insufficient level of digital skills; 13% has no e-skills at all.
- The European Digital Competence Framework has been released by EMPL and JRC/IPTS in 2013 with a self-assessment tool for individuals.

COMMUNICATION FROM THE EUROPEAN COMMISSION ON DIGITISING EUROPEAN INDUSTRY

Achieving the Digital Single Market (DSM) in Europe is a prerequisite for attracting investment in digital innovations and for faster business growth in the digital economy. On 19th April, the European Commission unveiled its plans to help European Industry, SMEs, researchers and public authorities make the most of new technologies. **The purpose of this Communication is to reinforce the EU's competitiveness in digital technologies and to ensure that every industry in Europe, in whichever sector, wherever**

situated, and no matter of what size can fully benefit from digital innovations.

This Communication introduces a set of coherent policy measures as part of a DSM technologies and public services modernisation package. It is accompanied by three further communications:

- The **Communication on a European Cloud Initiative** presents the plan for building a world class cloud and data infrastructure for science and engineering that will provide scientists and engineers in the EU with wide computing and data handling capacity.
- The **Communication on Priorities for ICT Standardisation** identifies the essential ICT standards and presents measures to accelerate their development in support of digital innovations across the economy. It sets out priorities for standards based on broad consultation and presents concrete actions for achieving them.
- The **E-Government action plan on the digital transformation of public services** focuses on business and citizen needs, i.e. solutions that are online, cross-border, interoperable by default and solutions that are end-to-end by design.

The proposed measures are:

- The creation of a **governance framework** to (i) facilitate the coordination of EU and national initiatives on digitisation, (ii) mobilise stakeholders, and resources across the value chain, on actions towards the achievement of a Digital Single Market, building upon existing multi- stakeholders dialogues , and (iii) exchange best practices
- The **Co-investment (public and private) in boosting Europe's digital innovation capacities**. The stimulation of private investment in digital innovations in all industrial sectors across the EU is a major challenge to be addressed at regional, national and EU level. The EU as a whole can mobilise resources for investment, when needed, that no individual Member State could raise on its own and with leverage effect on private investments that is far beyond the reach of many Member States. This co-investment will be focused on:
    - **Ensuring the development of digital innovation hubs across Europe**. Access to latest technologies will be possible for any industry in Europe with the aim of spurring a wave of bottom-up innovations across sectors.
    - **Establishment and reinforcement of public private partnerships** on innovation and strategic R&D in order to ensure EU-wide industry academia collaboration involving stakeholders across value chains. They will provide unique means to pool the resources needed for ground breaking

developments in digital technologies and platforms including high performance cloud infrastructure for science and innovation as well as large scale test-beds to accelerate standards setting.

- **Prioritisation and intensified efforts on reference architectures and experimentation on standardisation**. The accompanying Communication on Priority ICT Standards for the Digital Single Market contains a series of measures that aim to streamline standard setting for ICT technologies through two interlinked pillars – firstly by providing strategic focus on core set of key technology building blocks, and secondly by a robust delivery mechanism.

- The **provision of the appropriate regulatory framework conditions**. Clarifying and possibly adjusting the legislative framework is important to establish the necessary trust and legal certainty for industry in Europe and it will be taken forward as part of the Commission's Better Regulation REFIT (Regulatory Fitness and Performance) programme. The focus is mainly on free flow of data, the issues on data access and re-use rules, including as regards data in an industrial context and especially data generated by sensors and other collecting devices, the legal frameworks for autonomous systems and Internet of Things applications in particular safety and liability rules and the legal conditions to allow large scale testing in real life environments, and safety of apps and other non-embedded software not covered by sectoral legislation.
- The **strengthening of the human capital** in order to be ready for the digital transformation with the necessary skills. Together with all stakeholders, such as Member States, industry, social partners and education and training providers, the Commission will address this challenge as part of the social dialogue, it will improve the understanding of skills requirements for new technologies, including within H2020, it will promote the development of digital skills and it will stimulate partnerships for skills within the framework of the New Skills Agenda for Europe.

DIGITAL ENTREPRENEURSHIP AND DIGITAL TRANSFORMATION

Europe has to keep innovating and needs to capitalise on its strengths: its creative, competitive manufacturing and its innovative high-quality services. Industrial Innovation, facilitated by advanced technologies (Advanced Manufacturing, 3D Printing, etc.) provides an opportunity to increase competitiveness and bring back value added and higher returns in production activity.

In line with the Digital Single Market objectives GROW currently works on the implementation of a set of measures to modernise European industry, focusing on the digital transformation and growth of existing enterprises and the promotion of new digital start-ups in all sectors of the economy, including how to translate the recommendations of the Strategic Policy Forum into action. The Commission will take action to foster industrial innovation and the smart integration of products and services, via new technologies. The focus is on stimulating industrial investments into the uptake of digital technologies and Key Enabling Technologies.

An optimal use of the €315billion of the Investment Plan combined with the support from European Structural and Investment Funds, Horizon2020 and COSME programmes and coordinated with specific national initiatives should allow industry to grasp the full benefits of these advanced technologies.

The Commission sees need for action in particular in the following areas:

- EU leadership on cutting-edge pan-European digital industrial platforms and interoperability among different platforms.
- Addressing open questions regarding ownership and privacy questions relating to big data.
- Addressing ensuring changes in the workforce following digitalisation and promoting the right skills.
- Putting our EU programmes and financial instruments work in tandem to maximise impacts, e.g. by ensuring that Horizon 2020, regional funds, financial instruments and the European Fund for Strategic Investment work together to fuel investment into industrial modernisation.
- For scaling up and leveraging industrial investment, we are promoting the set-up of "Important Projects of Common European Interest".

Governance:

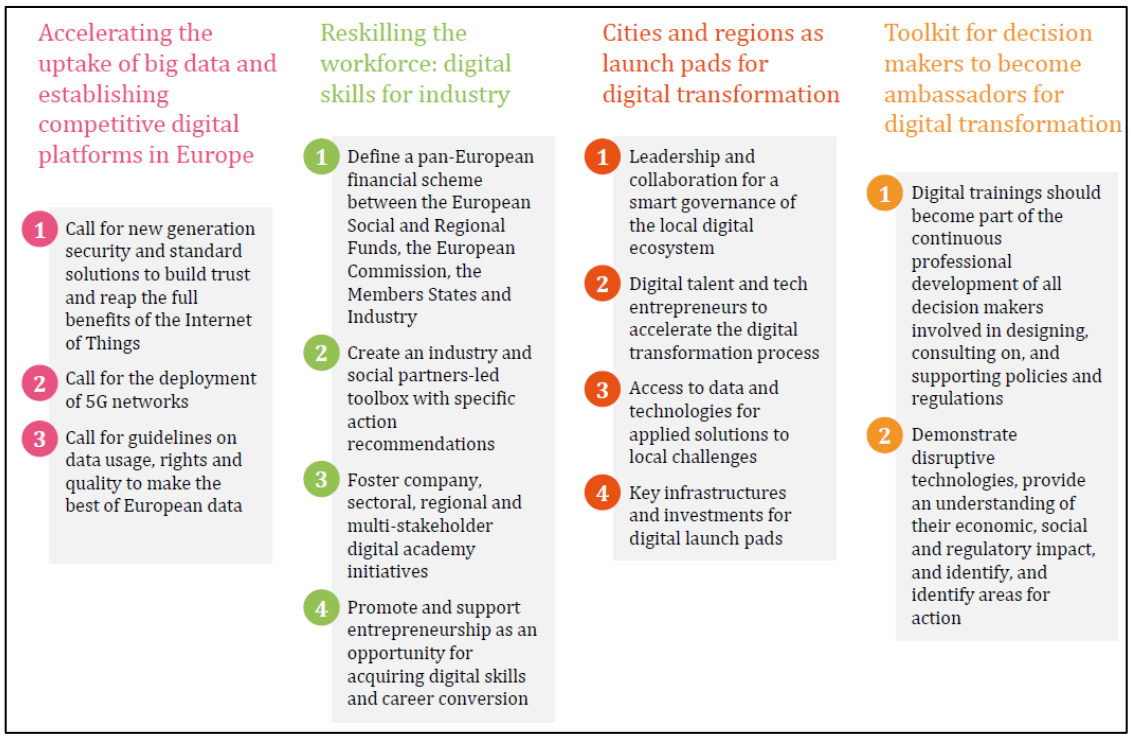
Intensive dialogue with industry, academia and policy makers has been established to help understand the needs of the EU industry and enterprises and develop an efficient strategy. The following fora were set up in 2014:

- **The Strategic Policy Forum on Digital Entrepreneurship[1],** a GROW think tank to reinforce dialogue among industry, science, civil society and politics and advise the Commission on a EU vision and strategy on digital transformation of industry. The Forum presented its first report "Digital Transformation of European Industry and Enterprises" in March 2015.[2]

[1] http://ec.europa.eu/growth/sectors/digital-economy/entrepreneurship/strategic-policy-forum/index_en htm

[2] "Digital Transformation of European Industry and Enterprises": http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8188&lang=en&title=%27Digital-Transformation-of-

On the 10th of March 2016[3], the Forum delivered its final policy recommendations, urging for action in what it considers the most critical needs of European businesses, such as the need for cyber-security, high-performing infrastructures, a single market for European data, actions of re-skilling our workforce, and building up capacity of our regions and cities to develop flourishing innovation ecosystems and improve the society as a whole:



The final deliverables of the Forum will be published in the following months and will include:

- the **Blueprint on cities and regions as launch pads for digital transformation** *(published in May 2016);*
- the Final report on **Accelerating the uptake of Big Data and building competitive Digital Platforms in Europe** *(published in April 2016);*
- a **Toolbox for reskilling the workforce**: digital skills for industry *(to be released at the Informal Competitiveness Council on 18 July 2016)*;
- a **digital Compass for policy makers and industry leaders,** *(to be released at the Informal Competitiveness Council on 18 July 2016).*

- A **Member States Board** on Digital Entrepreneurship composed of policy makers from the European Member States, leading the digital

European-Industry-and-Enterprises%27-%E2%80%93-report-from-the-Strategic-Policy-Forum-on-Digital-Entrepreneurship

[3] http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8718&lang=en&tpa_id=0&title=Digital%2Dtransformation%2Dis%2Dnot%2Dan%2Doption%2D%E2%80%93%2Dit%2Dis%2Da%2Dmust%2D

transformation in their countries. They exchange experiences, coordinate policies and work to forge the implementation of a pan-European Digital transformation strategy.

Support actions:
Relevant support actions and initiatives launched to-date include:

- The **Digital Entrepreneurship Monitor**[4] monitors the key technological and market trends, emerging business opportunities, new business paradigms and their impact on the European economy. It also collects information about policy initiatives to boost digital transformation all over Europe. Over 1000 national policy initiatives have been identified and analysed, spotting to the fragmented nature of such policies and the need for better EU-wide cooperation, to maximise impact to the economy.
- The **Digital Transformation Scoreboard**[5] measures progress in all EU-28 countries and main international competitors and develops country-specific policy recommendations to speed-up the digitisation process. The first Scoreboard has been published in December 2015.
- **A pan-European awareness campaign WATIFY**[6] «What If I …?», focuses on providing inspiring examples and targeted support and practical advice to entrepreneurs and traditional businesses, as they engage in digital transformation. Digital SMEs have proven to have tremendous job creation potential of up to 10 million new jobs in G20 countries[7].
- **10 Things to know when doing business online tool:** 10 Fiches providing EU enterprises with the information they need to know to legally comply with local and EU regulations when selling online in Europe.[8]
- **EuroMentors**[9]**:** a network of the most prominent mentoring organisations and mentors**,** launched in November 2014 to inspire and support new entrepreneurs and help enterprises in their transformation plans. Activities include networking, cross-border exchange of experiences, hands-on coaching and match-making events among stakeholders to explore new partnerships.
- A **pan-European campaign on "eSkills for jobs"** to boost the demand and supply of eLeadership skills, i.e. the combination of digital skills, management and creative skills.

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[4] http://ec.europa.eu/enterprise/dem
[5] http://ec.europa.eu/growth/sectors/digital-economy/index_en htm
6 http://ec.europa.eu/enterprise/dem/watify
[7] Accenture, 2014: The promise of digital entrepreneurs, Creating 10 million youth jobs in the G20 countries
[8] https://ec.europa.eu/growth/tools-databases/dem/watify/selling-online?language=en
[9] http://www.euromentors.eu/

IPR

The DSM and the SMS announced that "the Commission will make legislative proposals in 2016 modernising enforcement of intellectual property rights, focusing on commercial-scale infringements (the 'follow the money' approach) as well as its cross-border applicability". This will be achieved through an evaluation and possible review of the Directive 2004/48/EC on the enforcement of intellectual property rights (IPRED). In addition, and as announced in the Copyright Communication of 9 December 2015, the Commission takes action to engage, with all parties concerned (including right holders and intermediaries), in setting up and applying ‘follow-the-money’ mechanisms, self-regulatory initiatives to deprive commercial-scale IP infringers of their revenue stream. Google are involved in the Commission's Follow the Money initiatives, especially the voluntary agreement on advertising, on which topic they will participate as a panellist in the June Conference on IPR Enforcement to be held in Brussels and organised by the Commission (GROW F5).

IPR enforcement

The Digital Single Market Strategy announced the introduction of a modern, more European copyright law: legislative proposals should reduce the differences between national copyright regimes and allow for wider online access to works across the EU, including through further harmonisation measures. The aim is to improve people's access to cultural content online – thereby nurturing cultural diversity – while opening new opportunities for creators and the content industry. In particular, the Commission wants to ensure that users who buy films, music or articles at home can also enjoy them while travelling across Europe.

The Strategy linked the reform of the substantive copyright rules closely with the question of enforcement. It announced that the Commission will also look at the role of online intermediaries in relation to copyright-protected work. It will step up enforcement against commercial-scale infringements of intellectual property rights. In concrete terms the Strategy states that "the Commission will make legislative proposals […] in 2016 […] modernising enforcement of intellectual property rights, focusing on commercial-scale infringements (the 'follow the money' approach) as well as its cross-border applicability".

While the prevalence of copyright infringements is one of the arguments to review the IPR enforcement framework a review of the directive would need to be broader in scope, also to deal with other persisting issues in the protection of IPR, such as trademark and design infringements.

Implementing this initiative DG GROW now launched an evaluation of Directive 2004/48/EC on the enforcement of intellectual property rights, assessing the functioning of the Directive and the concrete need for adjustments. Main issues for evaluation seem to be the identification of infringers, cross-border execution of injunctions, the role of intermediaries and the calculation of damages, as identified in previous work on IPRED and requested by Council and Parliament. DG GROW contracts out work on studies on the key issues of the enforcement framework to provide a deeper evidence base for the review and launched a public consultation on 9 December 2015, as a means to assess the functioning of the Directive and the scope of the possible review.

Single Market Strategy and IPR enforcement

The Strategy states that "as announced in the Digital Single Market Strategy for Europe, the Commission will review the IPR enforcement framework, to respond to the increasingly cross-border nature of infringements. It will favour a ‘follow the money’ approach to deprive commercial-scale infringers of their revenue flows, since it is these IPR infringements that do the most harm to the EU economy. In line with the objectives of this Strategy, specific attention will be paid to SMEs, with a view to helping them enforce their intellectual property rights."

The Copyright Communication and IPR enforcement

On 9 December 2015 the Commission adopted its Communication "Towards a modern, more European copyright framework". The Communication stated that the Commission will assess options and consider by autumn 2016 the need to amend the legal framework focussing on commercial-scale infringements, inter alia to clarify, as appropriate, the rules for identifying infringers, the (cross-border) application of provisional and precautionary measures and injunctions, the calculation and allocation of damages and legal costs. It also announced that the Commission will take immediate action to engage, with all parties concerned, in setting up and applying ‘follow-the-money’ mechanisms, based on a self-regulatory approach, with the objective of reaching agreements by spring 2016 and that those codes of conduct at EU level could be backed by legislation, if required to ensure their full effectiveness.

Directive 2004/48/EC on the enforcement of intellectual property rights

Directive 2004/48/EC on the enforcement of intellectual property rights (IPRED) is a legislative instrument whose overall aim is the better functioning of the internal market. What it does is approximate the laws of

the Member States in the area of civil enforcement of Intellectual Property Rights (IPR). It contains minimum harmonisation rules on measures and remedies available to rightholders in order to enforce their IPRs, meaning that Member States can provide for greater protection if they so choose. IPRED covers all types of rights, notably copyright, trademark, patent and design. Specifically as regards copyright, it complements the EU's 2001 Copyright Directive.

Position of the other institutions

The Council, in its conclusions of 4 December 2014 on IPR enforcement, recalled that several aspects of IPR enforcement not contained in the Action Plan were identified as raising questions on the basis of the consultation process carried out by the Commission from 2012 to 2014 and as a follow-up to the adoption of the Commission's report on the application of Directive 2004/48/EC, including the use of tools available to identify IPR infringers; the role of intermediaries in assisting the fight against IPR infringement; and the allocation of damages in IPR disputes. The Council encourages the Commission to consider all possible options to address these matters.

The European Parliament, in its resolution of 9 June 2015, calls on the Commission to come up with a detailed assessment of the limitations of the current legal framework as regards online activities and, if appropriate, with proposals for adapting the EU legislative framework to the internet environment.

The follow-the-money approach in IPR enforcement

The approach consists in designing policy measures that identify and disrupt the money trail for commercial scale IP-infringing activities.

The Memorandum of Understanding (MoU) on the sale of counterfeit goods via the Internet, brokered by the Commission in 2011, was the first voluntary cooperation agreement between stakeholders developed at European level aiming better enforcement of IPR. The MoU established a code of practice in the fight against the sale of counterfeit goods over the Internet. It covers e-commerce platforms as well as brands in the field of fast moving consumer goods, consumer electronics, fashion, luxury goods, sports goods, film, software, games and toys. It applies across all 28 Member States of the Union.

The EU IPR enforcement action plan announced three more wide ranging initiatives covering the advertising, payment and shipping ecosystems. By

identifying the typical payment and revenue-generating links in the IP-infringing scheme and securing them, the profit-making potential of the IP-infringing activity can be severely restrained. The aim is therefore to design policy instruments that encourage rights-holders and intermediaries (e.g. shippers, internet intermediaries, advertising agencies, media operators and payment service providers) to choke off possibilities for infringers to invest in and gain rewards from illicit IP-infringing activities.

CVs of the interlocutors

, Google