

A woman with dark hair, wearing a white lab coat, safety glasses, and blue gloves, is focused on her work at a computer workstation in a laboratory. The background is a blurred lab environment with various pieces of equipment. A large, stylized white outline of a speech bubble or thought bubble is superimposed over the right side of the image, partially overlapping the woman's head and the red background. The right half of the image has a solid red background with a faint, repeating pattern of a cube or similar geometric shape.

# Creating the conditions for Europe to lead in digitisation of the economy

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# European competitiveness in the global landscape

- Europe's advantage in R&D and advanced manufacturing, combined with the right access to high-speed networks and digital services, can propel it to become a global leader.
- Yet, we are only at the start of the journey and still suffer from a fragmented regulatory framework in infrastructure and digital services. Our 2019 'IoT Barometer' finds that:
  - **Current rate of IoT adoption is lowest in Europe compared to other regions analysed:** IoT had been adopted by 43% of businesses in the Americas and 40% of businesses in APAC, compared to only 23% in Europe
  - **Europe is not taking full advantage of the potential of IoT data:** 66% of American adopters use IoT data with analytics platforms to support decision-making, 59% of those in Europe do so
  - **Europe is lagging behind the other regions in terms of the sophistication index**, which demonstrates the correlation between the scale of implementation and depth of strategy and IoT return on investment

Source: 'Vodafone IoT Barometer follow-up: the European story', April 2019



# Partnerships can shape and drive the new Commission's agenda

- The cross-sectoral debate is essential for participants to align on common goals of the future industrial strategy in Horizon Europe. It can also support the preparation and implementation of the Commission's agenda, so that it captures the social and economic value that a truly harmonised approach can bring to the digital markets.
- Vodafone is a member and active contributor in AIOTI (e.g. *Chair of Smart Buildings & Architecture WG*), 5GAA, 5GACIA and most recently a Board Member in the EC Mission Board for climate-neutral and smart cities.
- We believe that public and private stakeholders should continue to work together to ensure that European companies have the best foundations, networks and conditions to compete globally. This requires three things:
  - Create a policy framework which incentivises investment and ensures sustainable competition
  - Support policies which encourage the digitisation of industry leveraging cutting-edge technologies
  - Empowering citizens by ensuring trust is built in by design, through smart regulation which can keep pace with the speed of technological change.



# Our DSM 2.0 vision

## Turbo-charged investment in Gigabit networks: achieving sustainable infrastructure competition

### Infrastructure

**Licensing:** holistic approach to spectrum licensing that is coordinated, non-discriminatory and encourages competitive investment.

Faster delivery of 5G networks through more **network sharing**: proactive support from regulators is needed.

**Lower deployment costs:** fast and consistent implementation of the Code; revision of Broadband Cost Reduction Directive.

## Made in Europe: creating the conditions for Europe to lead in digitisation of the economy

### Sector of sectors

**Creating a harmonised IoT framework:** supporting European IoT products, through a technology-neutral approach.

**Innovation-first policies:** ensuring quality differentiation enabled by 5G-powered new services and making competition.

**Stimulating the data economy:** through policies that encourage voluntary data sharing, especially in new industrial areas.

## Trust by design: empowering citizens

### Services

**Same rights, same regulation:** for all digital services across Europe – ‘telecoms lite’ approach.

**Trust:** e-commerce and hosting platforms should take reasonable steps to protect consumers from harmful or illegal products, content and services.

**Secure by design:** holistic approach to security across the digital ecosystem; harmonised obligations.



# Made in Europe

## Creating the conditions for Europe to lead in digitisation of the economy

### Create an IoT Framework that is fit for purpose

- Address uncertainty how rules apply to IoT
- Achieve harmonisation across Member States
- Ensure technological neutrality
- Adopt best practices and promote EU competitiveness

### Move from an 'innovation by permission' to an 'innovation first' approach

- Innovation first requires experimentation: 5G networks, through a combination of AI, MEC & network slicing can create new opportunities through quality differentiation
- Early regulation in AI can chill innovation; companies should implement AI in compliance with an ethics-based framework agreed at EU level

### Stimulate the data economy through voluntary data sharing

- Participants in the IoT value chain should reasonably endeavour to share non-personal, machine-generated data on a fair, reasonable and non-discriminatory (FRND) basis, taking full account of any related security, privacy, competition law or confidentiality consideration



# Connecting Europe for a better future

## Vodafone's Policy Priorities



- Governments and industry need to work together to create policies to increase investment in best-in-class infrastructure, nurture the data economy and ensure trust.
- Its time to deepen DSM and enable businesses to scale up, to trade across borders and ensure that technology can flourish in a trusted, secure and responsible environment.
- Vodafone papers are available at [https:// www.vodafone.com/content/ index/about/ policy.html](https://www.vodafone.com/content/index/about/policy.html)

