

Committed to Europe

Orange contribution to the EC consultation on the EU Data Strategy

Executive summary

Orange supports the European Strategy for Data, we consider that the proposed policies will increase innovation in the internal market in general and in the digital sector in particular. We encourage the European Commission (EC) to maintain the light touch regulatory approach envisaged so far to support EU innovation and its global competitiveness in the data economy.

Here are our main remarks:

- Orange supports the creation of European Data Spaces (EDS) to favour the sharing of data between businesses in a legally secured way. EDSs should be accessible to industries at large, including telecom operators.
- Orange supports Government-To-Business (G2B) data sharing initiatives and the adoption of an implementing act in the Open Data Directive to make a wide list of high-value datasets available to businesses.
- Business-To-Government (B2G) data sharing should continue to rely on fair compensation on investments made. Orange would like to ensure that private endeavors are preserved through a clarification of the concept of “public interest” to give legal certainty to businesses.
- Business-To-Business (B2B) data sharing should continue to be based on voluntary contractual agreements as this is a well-functioning and flexible way to address the conditions and specificities needed to make B2B sharing mutually beneficial, and to ensure the right level of protection on IPRs or business secrets.
- Regarding cloud infrastructure and services, Orange supports European and Member States led initiatives promoting a federation of pan-European interconnected and interoperable cloud services in the respect of EU values. The Commission should promote and encourage distinct alternative for telco edge cloud platforms.
- Orange supports the promotion and adoption of open technologies.

General views

Orange welcomes the European Commission’s communication on “A European Strategy for data”, which sets ambitious goals for creating a European single data market, drive competitiveness and aims at building a robust European governance model in the global data economy. Telecom operators as providers of world-class connectivity in mobile and fixed networks through the fast deployment of 4G/5G and fibre are the enablers of Europe’s increasing digitisation of services and industrial processes. 5G will enable the rapid growth of IoT connections and devices that will create fresh resources for growing data analytics and Artificial Intelligence (AI) in Europe.

Orange shares the views expressed by the Commission regarding the foreseen growth of data and its increasingly decentralised character, thanks in particular to the development of the Internet of Things (IoT), new usages, etc. This opens new opportunities for the EU and European businesses accompanied with the need to promote and preserve EU sovereignty and its values.

The EU should in particular give utmost importance and promote sovereignty initiatives, spanning from the digital infrastructure (connectivity, cloud, etc.) to applications. This implies a favorable economic, regulatory

and investment framework for the private sector and, in particular for the telecommunications sector, and an appropriate accompanying role for the public sector, in particular in areas related to the development of the needed skills and digital literacy.

The EU has rightly placed the digital strategy as one key pillar in its overall economic strategy and recovery plan. The Covid crisis has shown indeed the vital importance of the digital sector and its lasting impact cannot but reinforce the need to put in place the appropriate frameworks to strengthen the EU digital sectors, digital sovereignty and avoid the risks of appearance of a digital divide on the path to recovery.

Orange supports the proposed EU plan that consists in mobilising between €4bn and €6bn¹ in the period 2021-2027 to fund European data spaces, federated edge and cloud infrastructures, data-sharing tools and governance mechanisms. Orange considers that Data governance mechanisms are needed to capture the enormous potential of data in particular for cross-sector data use. Efforts should focus on improving interoperability carefully addressing data formats, to allow the combination of data from different sources within sectors and between sectors.

Finally the notion of public interest is key and should be defined in a way that does not hinder business models and give legal certainty to private endeavors.

Orange shares the view that access to and usability of data are becoming determining factors for competition, innovation and value-creation – for private and public organisations alike. The EC initiative on the European Data Spaces is a good step in the right direction and Orange is keen to contribute to the announced actions for the establishment of governance rules and technical architecture of these data spaces.

Orange's ambition in the data business

Orange's ambition in the data business builds upon a preliminary phase in which data exploitation in the group was mainly focused on processing data for internal use - e.g. for networks optimization, and providing aggregated and anonymised data analytics to public and private customers. Orange data analytics services convert in real time millions of technical data from mobile networks into indicators that provide statistical data on population presence and mobility in specific geographical areas or urban or interurban mobility flows. Such services allow regional tourism agencies, municipalities, transport companies, etc to design urban mobility solutions that will reduce road contributing to the development of smart cities. Depending on the case, such decision-making aid tools serve public policies and commercial purposes. All Orange data analytics offerings comply with strict data protection requirements set out both by the GDPR and the ePrivacy Directive.

Building upon this experience, Orange plans a wider transformation within the group to make better use of Orange data for both internal needs and Orange's B2B customers. The group plans to build upon previous initiatives towards strong internal governance and industrialisation of B2B sharing - ex. analytics on mobility data, recommendation systems, etc. At the same time, Orange will continue the development of integrated services to provide its B2B customers a complete IT ecosystem: data analytics to support companies in their digital transformation; cloud services and edge computing.

Against this background, Orange considers that the European Strategy for Data will generally increase innovation and competition in the internal market and we encourage the EC to maintain the light touch regulatory approach envisaged so far. In the next section, we would like to highlight several specific issues to ensure the European telecom sector can fully embrace the data economy evolution.

¹ The Commission would finance €2bn and the rest would be provided by industry and EU member states.

Specific contributions

European Data Spaces

Orange supports the creation of a data friendly environment foreseen by the EU Commission. Such a data environment should favour the sharing and pooling of data between businesses in a legally secured way. The proposed European Data Spaces (EDS) common investment initiative is an interesting project that aims at producing and storing EU compliant datasets for the benefit of EU industry & research.

Although telecom is not one of the 9 sectors initially targeted² in the European Strategy for Data, Orange's view is that EDS should be accessible to industries not listed in these sectors, including telecom operators. The EC initiative on the European Data Spaces is a good step in the right direction, and Orange is keen to contribute to the announced establishment of the governance rules.

G2B data sharing

The Open Data Directive (ODD)³ introduces the concept of high-value datasets (HVDs) associated with important benefits for society, the environment and the economy. HVDs will have to be available free of charge, in a machine-readable format, provided via APIs. The European Strategy for Data announces an implementing act to the ODD for Q1 2021 to establish a detailed list of HVDs. Orange supports such measures that have the potential to ignite European growth and innovation, in particular by making available geospatial, meteorological, statistics, and mobility data sets. In complement to geospatial data, Orange suggests to also address cadastral/street address data sets including publicly accessible venue plans (such as shopping centers), and company information. Other areas of interest include patents in machine-readable format and commercial products labels and bar codes.

B2G data sharing

Orange collaborates with the public sector, typically by providing mobile location data-driven analysis to tackle epidemics, natural disasters and environmental pollution. This specific B2G collaboration is based on voluntary agreements.

In general B2G collaborations such as the one described above and/or data sharing oriented ones, should continue to rely on the fair compensation of investments made and incurred costs (e.g. inherent costs of extracting, anonymisation, analysing and aggregating/safeguarding the data, including the frequency of sharing, and secure transmission in compliance with EU privacy and data protection law). Economic incentives are crucial to encourage such investment and actions.

In addition, the notion of public interest is not yet defined in European law, and this does not help establishing legal certainty for private sector businesses. Orange supports the introduction of a clear definition with strict criteria to establish when a data processing is authorised for "public interest". Such a definition should focus on exceptional factors such as natural disasters and/or health crises (e.g. the current COVID-19 pandemics).

Under normal circumstances combining data from different sources with the public objective to produce data analytics for city transport for example should not fall under the notion of public interest and should remain submitted to the free market.

B2B data sharing

B2B data sharing should continue to be based on voluntary contractual agreements, as it grants a well-functioning and flexible way to address the conditions and specificities needed to make B2B sharing mutually beneficial. Orange therefore strongly supports the Strategy's outline that "the general principle shall be to facilitate voluntary data sharing". We also support the EC statement according to which access to data can only be made mandatory when there is a market failure that competition law cannot solve.

² Industry/manufacturing, Green Deal, mobility, health, finance, energy, agriculture, public administration, skills.

³ To be transposed by member states by July 2021.

Nonetheless, Orange agrees with the Commission's assessment that barriers to B2B data sharing exist, due predominantly to a lack of trust between business partners, insecurities around antitrust rules, non-harmonised interpretation of privacy principles, trade secrets & intellectual property. Consequently, Orange is of the view to further improve the framework for the voluntary sharing and re-use of data in B2B environments. To achieve this, several actions are necessary as part of the upcoming legislative framework for the governance of common EDSs and the future Data Act, especially concerning the development of contract model clauses serving as a negotiation basis that could help reducing uncertainties and guaranteeing equal partaking of the parties involved, and the development of common standards/interoperability.

Orange also agree with the Strategy's aim to better harmonise the description of industrial datasets (metadata), in order to increase their usability and transparency for businesses (e.g. quality of data and storage information).

Data altruism

Orange supports the EC proposals to encourage individuals' data altruism aiming at collecting and storing, health data, energy consumption data, services data etc. of EU citizens willing to share such data. Creating favorable legal and technological measures would encourage citizens to make available their data without any direct reward, for health-related research, improving mobility, or addressing environmental challenges.

However, even if this initiative becomes a success, the lack of representativeness of the collected data could become an issue. The point is that only the data of "altruist" individuals will be represented making the collected data sets intrinsically biased. Moreover the quality of the donated data should be carefully addressed otherwise it could be more efficient to obtain open data sets thanks to the data portability right because in this case companies would curate data before sharing them.

Skills

A digital transition cannot be a success without the relevant measures to support and accompany citizens, employees and businesses in such a transformation. It is therefore of utmost importance that the public authorities at national and European levels invest in digital skills.

Orange therefore fully supports the European Strategy for Data policies to boost digital skills. It is also crucial that private entities encourage such a transition. The Orange Group is undergoing a radical digital transformation and we forecast that in 2025 the profile of our company will be considerably different from what it is today. Orange Group will be even more international, and the forefront of cutting-edge technologies, notably in the B2B.

To support this evolution, Orange will implement an ambitious plan to increase skills and undertake career retraining. Orange will invest more than 1.5 billion euros in a skills-building program open to all employees around the world. Specifically, 20,000 employees will be trained in network virtualisation, artificial intelligence, data, cloud computing, code and cybersecurity. To achieve this, Orange Campus will become a networked school open to all employees and, for the first time, to the external world. Orange has also set up a CyberAcademy and cyber training open to external people.

Data formats

Data model standardisation is a lengthy process that has not delivered yet satisfactory solutions. Moreover, in too many domains, incompatible data standards still coexist. Efforts in data model standardisation should be renewed and new approaches should be investigated in parallel, such as Linked-Open Data (LOD).

LOD permits any organisation to have their own data model while providing the mechanisms to link it with already existing ones, thus permitting to accommodate for organization's specificities while facilitating data/data models sharing and therefore interoperability. With LOD any organisation is incentivised to describe their own data using ontologies written with Semantic Web languages (RDF/RDFS/OWL), publishing these ontologies and linking them to existing ones. LOD had a good start in IoT demonstrating its promising lightweight and fast track process and as such should be promoted.

GDPR

GDPR needs harmonised guidelines for businesses addressing practical issues especially concerning anonymisation best practices.

Some other GDPR obligations could be alleviated making data analytics businesses more effective without lessening the data subjects' protection: for example the obligation to erase data after 1 year makes it impossible to compare data for two different years. The possibility to keep data for research purposes for a certain period of time should be improved; for instance to be able to store data during a pandemic for analysis afterwards to derive best practices.

Orange's activities in cloud services

Orange Group provides B2B cloud services through its specialised worldwide branch Orange Business Services (OBS). OBS is a global integrator of communications products and services for multinational corporations that notably offers integrated communications products and services to global enterprises in cloud computing, OBS operates 70 secure data centers all over the world.

B2B and telco edge cloud

The COVID-19 crisis is highlighting how the lack of European cloud infrastructure and cloud applications exposes the functioning of European essential services and the whole economy to the priorities set by non-European cloud giants.

Orange supports European and Member State led initiatives promoting the federation of multi-operators & multi-cloud services to strengthen Europe's competitiveness in the global digital market in the respect of EU values. Such solutions shall enable new business models for data sharing and enable services to provide equal and non-discriminatory access to such an ecosystem. Such models and services should implement the highest level of data protection, security, transparency, interoperability and portability / reversibility. Policy makers must be facilitating, and allow symmetrical treatment (level playing field) for operators and cloud providers.

Orange supports the promotion and adoption of open technologies when available for both cloud infrastructure and services. However, to avoid stifling innovation, there should be also room left for new technologies even if initially based on proprietary solutions. A good balance consists in adopting as much as possible open technologies for basic services allowing at the same time proprietary technologies for innovative new services. Concerning interoperability we would like to highlight that deploying interoperable infrastructure is a reachable target to which Orange is fully committed.

Finally, concerning telco edge cloud platforms developed to deliver high performance for 5G networks, i.e. optimize latency, Orange considers that the Commission should promote and encourage distinct alternative based on local solutions to hyperscalers' cloud services based outside of Europe.

Gaia-X

Orange supports the objectives and principles of GAIA-X and actively participates in its working groups. This project focuses on use cases which will constitute the nucleus of the future industrial and services ecosystem, to enable a sovereign cloud service and data economy, create a new layer of data based smart services, and enable the mass adoption of AI services. We therefore welcome the EC willingness to support the setting up of an EU federation of cloud services.

For more information: <https://oran.ge/in-Brussels>, or follow us on Twitter: @Orange_Brussels