

POLICY POSITION

Digital Sovereignty and Citizens' Rights







KEY POLICY RECOMMENDATIONS:

Digital Sovereignty and Citizens' Rights

- Utilise the power and potential of tools such as data, artificial intelligence (AI), and the Internet of Things to foster innovation, growth and competition in existing and emerging sectors;
- Develop regulations that guarantee and protect citizens' fundamental rights while promoting fair competition and innovation;
- Establish clear guidelines for accountability from online platforms for combating hate speech, fake news, illegal content and disinformation with an emphasis on factual and safe content;
- Emphasise and invest in digital education and literacy while ensuring no citizen is left behind and maintaining accessibility for all;
- Optimise the digital transition to improve environmental standards and foster long-term sustainability.



INTRODUCTION

As the world continues to adapt to rapidly evolving technologies and digital tools, the European Union has been a standard-bearer for protecting its citizens' rights. However, other global actors such as the United States and China have dominated the field in both innovation and competition. Moving into the digital age with a focus on European sovereignty requires a multi-pronged approach to promote competition and innovation without sacrificing the fundamental rights, democratic participation and environmental protections that form the foundation of the EU.

Digitalisation must be used as a means to achieve greater well-being, equality and a healthier natural world by design a digital infrastructure able to operate within the carrying capacity of the planet and the coping capacity of humans. Digitalisation should be used in a smart and surgical way where it contributes to making better decisions, to deliver better outcomes and to improve the sustainability of production and consumption.

INDUSTRIAL INNOVATION AND INVESTMENT

The effective use of data is crucial to the development of key economic and public sectors for the digital age. Indeed, it is a central figure in the EU Data Strategy, with the potential for a massive economic impact and, as highlighted by the strategy, for innovation and research in key sectors: health, industry, agriculture, finance, mobility, telecommunications, the Green Deal, energy, administration, and skills. Harnessed and utilised properly, innovation in these areas is vital to the rebuilding of our economy, recovery from the COVID-19 pandemic and prevention of a future potential health crisis. The COVID-19 pandemic, in particular, highlighted massive gaps in supply chains and production with shortages and supply disruptions of crucial items such as medical equipment, vaccines, and semiconductors, to name a few. While accounting for lessons learned from the pandemic, the digital transition must remain a long-term policy priority and be able to progress independently of recovery plans.

Utilising the power and potential of tools such as data, artificial intelligence (AI), and the Internet of Things, the EU can foster growth and competition in existing



as well as emerging sectors. Ensured access and functionality across Europe is essential to nearly every industry. New and existing technologies can, for example, optimise production and distribution, reduce emissions and waste, and maximise consumer reach. This is essential for small and medium enterprises (SMEs), start-ups, and local public enterprises that have fewer resources than larger, more established players and are at risk of lagging behind. Crucially, entities such as local administrations and local governments face similar challenges in capacitybuilding and innovation yet represent the closest entities on which citizens rely in terms of digital resilience and security.

To provide the best foundation for progress, resources such as InvestEU, the Industrial Strategy, and the European Structural and Investment Funds should be allocated to building and maintaining a robust digital infrastructure across the EU and without exceptions. Specific priorities essential to achieving digital sovereignty, in line with EU Cohesion Policy, necessitate independent European cloud capacity and expanded broadband connectivity to regions and rural areas that have often had less access. Legislation and investment programmes such as the Digital Markets Act and the Digital Services Act must actively promote cross-border innovation, research and development, and cooperation in science and industry to best position European stakeholders and boost their competitive advantages on the global stage. These efforts must also be emphasised toward safeguarding European citizens, stakeholders and institutions from the dangerous and ever-increasing threat of cyberattacks from hostile actors - especially common vulnerable targets such as hospitals and local municipalities, as common targets of ransomware, must be able to rely on European authorities for adequate support and protection. These initiatives should always be developed in consultation with citizens, businesses, public service providers, and all other relevant stakeholders.

SMART REGULATION THAT PROMOTES COMPETITION

Too often in the recent past, tech innovation has led to irresponsible or unethical practices that compromise the data and privacy of citizens, while lawmakers are left to pick up the pieces well after the damage is done. But regulation and innovation are not a zerosum game. The silver bullet to effective regulation is to strike the balance between guaranteeing consumers' fundamental rights and environmental standards while promoting fair competition and innovation. The EU should work with Member States as they adopt measures to these ends as well, borrowing best practices and continuing to influence global standards.

To ensure that no one is left behind, EU regulations should be drafted and applied on a targeted basis, tackling gatekeepers and disruptive actors while leaving room for smaller operations such as start-ups and SMEs to compete and succeed. Legislation such as the Digital Markets Act and Digital Services Act should establish clear and precise guidelines in which actors can operate effectively and with legal certainty. An independent EU authority, such as a pan-European supervisory structure, could monitor practices and enforce regulations on a fair and scaled basis to limit the market power of big corporations without stifling the rest of Europe's digital sector.

The use of new and emerging technologies such as artificial intelligence needs to be regulated, first and foremost to ensure the protection of citizens' rights, as laid out in the Charter of Fundamental Rights of the EU, the European Convention on Human Rights, and must meet international human rights standards, for instance when it comes to the use of AI at Europe's borders, to manage the arrival of migrants. The EU should work towards a global ethical framework regarding AI and Machine Learning training data, their development and their final usage. In this process the development of certification and codes of conduct for any AI-powered systems should be based on common values, including but not limited to transparency, accountability, fairness, reliability, robustness and safety, along with access to AI data, algorithms and mechanisms. Key rights to protect are the right to privacy, data protection, freedom of expression, social rights, and non-discrimination. It is therefore also crucial to include as equal partners civil society, and in particular marginalised communities, in the development of EU's AI regulation and policies. It must also be answerable to human operators from within big tech as well as government and civil society.

The United States currently remains at the forefront of the tech industry amongst Europe's allies and is one of the



major hubs for data allocation and storage. In absence of the EU-US Privacy Shield, following the Court of Justice of the European Union (CJEU) ruling that agreement is inadequate to protect EU citizens' data, the EU should offer incentives to support the creation and strengthening of data centres within Europe – both to ensure its protection under European regulation and to create and enhance tech jobs within the EU.

Furthermore, as we work to forge new agreements for future cooperation with the US and other allies, Europe should continue to lead by example with some of the most robust privacy protections in the world. The EU should actively work with our allies to establish and strengthen their own comparable privacy protections to create more opportunities for bilateral cooperation and growth. The newly-launched EU-US Trade and Technology Council, as a first step, provides an opportunity to pursue such collaboration.

SECURING FUNDAMENTAL RIGHTS IN THE DIGITAL AGE

On all levels in Europe public services should be digital, open and cross-border by design. As the digital economy develops into one that will work for all, transparency, access, and privacy should be at its core, along with fundamental human rights such as respect for freedom, democracy, equality, the rule of law, and pluralism. Crucially, the EU should use every tool at its disposal to continue combatting societal ills such as fake news, misinformation, hate speech, and echo chambers, ensuring a plurality of opinions but with an emphasis on factual and safe content. The EU should expand support programmes for free and independent media and establish clear guidelines for accountability from online platforms for combating hate speech, illegal content and disinformation.

In the implementation of the EU Data Strategy and further development of the digital single market, citizens' rights and privacy cannot be compromised in favour of innovation or economic interests. Rather, citizens should be duly informed on the benefits of willingly sharing their anonymised data, while given the full opportunity to opt out if they so choose. Concise and clear information should be central to communication on data so that citizens can understand the positive impacts it can yield and exactly who will have access to it, in order to make an educated choice on whether to share it. Users should not be incentivised or coerced to sharing their data in order to receive certain services or offers. Any data regulation should also leave room for new and emerging technologies, and be able to adapt to them quickly, such as facial recognition and voice recognition. Practices like mass surveillance conducted by public and private entities alike must be balanced with transparency and democratic and technological safeguards.

The emphasis on transparency and citizens' control is doubly important for data monetisation such as advertising, with targeting based on algorithms, private information and behaviour among the most controversial uses for personal data. The GDPR includes strong measures to these ends, but current measures are lacking in clear and concise functionality - causing many users to opt in to forms of tracking due to frustration or lack of information. Browsers and platforms should have catchall on/off switches to ensure that only those that want targeted ads will receive them. A comprehensive review of the GDPR, consulting citizens and civil society, combined with training in digital skills,

can foster the improvements needed to truly put European citizens' data in their own hands.

Furthermore, traditional and new forms of employment must remain workercentric and cannot undermine European minimum standards for health, safety, human rights, social protection and job protections. Workers' right to disconnect during non-work hours, as outlined in the European Parliament's resolution from January 2021 and in practice in Member States such as France, must be adopted on the European level as a fundamental right. Measures such as those adopted by Spain and the Netherlands that classify "gig workers" as full employees should be implemented across Europe to ensure that online platforms cannot take advantage of or exploit workers. The right to full employment protections, including the ability for employees to unionise and bargain collectively, must be available to all Europeans regardless of their sector. Specialised union representatives with intricate knowledge of the digital realm could be a boon to newly-classified employees of the gig economy in addressing issues such as data and privacy protection, consent, and surveillance.



CITIZENS' PARTICIPATION AND DIGITAL LITERACY

One of the greatest barriers to democratic participation in the digital economy is a lack of technological fluency - 4 out of 10 adults in Europe are without basic digital skills. Citizens must be able to use technology and digital media in safe, responsible, critical and effective ways in order to fully participate in their democracy, especially as more and more functions move from the physical to the digital realm. With the pace at which technology develops, the Digital Education Action Plan must include a massive investment in education at all levels, including the promotion of lifelong learning programmes, to ensure equality and reduce digital inequalities and disparities. Digital literacy and privacy awareness must be fundamental to both formal and non-formal forms of education. Additionally, the EU should actively foster "reskilling" and "upskilling" programmes, such as Stars4Media, to help professionals and organisations reinvent business models, develop new revenue streams, and be more competitive. At the same time, not every citizen will reach full technological

fluency, and all forms of citizens' participation must be matched with analogue means of participation to ensure that no one is left behind. While digital participation can yield important outcomes and increase accessibility, citizens' deliberation and participation outside of digital channels cannot be replaced.

Technological innovation should never come at citizens' expense. Tech companies have a responsibility to factor citizens' rights and privacy into their practices, and likewise EU lawmakers should be able to keep up with the latest developments rather than play catch-up with booming innovation. Digital literacy amongst citizens and lawmakers alike is therefore a foundational aspect of an active, participatory and democratic Europe. To that end, regulations and decisions must proactively consult citizens, experts and civil society to ensure individual democratic sovereignty. Tools such as the multilingual platform developed for the Conference on the Future of Europe consultations would be an effective way to enable direct participation and transparency in the digital sphere, but they must be fully accessible for people



with disabilities including the availability of plain-language services. Furthermore, such digital platforms could distinguish between contributions from individual citizens and contributions by representative democratic associations, and the algorithm used for processing the various opinions posted should be made publicly available.

ENSURING A GREEN DIGITAL TRANSITION AND LONG-TERM SUSTAINABILITY

The EU's digital agenda must also be closely linked with the green transition, with an emphasis on sustainability, efficiency and mitigating environmental impact. Digitalisation offers the ability to optimise energy output, resource efficiency and production to meet demand and balance a strong and resilient digital economy with sustainability. EU funds and initiatives should prioritise clean new technologies and projects such as improving electricity transmission, public transit, manufacturing, and agriculture. Tools such as AI and the Internet of Things can help to develop smarter cities, from operational efficiency in smart buildings to optimised urban spaces that can

improve traffic flow and innovate in decarbonisation.

While digitalisation helps many sectors to become more efficient, it also carries a significant environmental impact of its own that must be mitigated. The mining for and manufacturing of electronic devices, their appliance as well as massive data centres increasingly contribute to greenhouse emissions, and despite recent studies, we still know too little about these emissions and how they affect the climate in the long term. Digital technology comes with a continually increasing demand of critical raw materials. For example, it is estimated that the EU will need more lithium in 2050 than the whole world needs today. Additionally, e-waste is one of the fastestgrowing waste sources in the EU, with much of it still flowing outside the EU and ending up in waste dumps in the Global South. Throughout the digital transition, the EU must emphasise measures to reduce overconsumption of digital devices and mitigate excessive ewaste, including lifecycle and reparability requirements for electronic devices.

In line with the frameworks established in the European Green Deal and the



Declaration on A Green and Digital Transformation of the EU, Sustainable Development Goals (SDGs) and environmental impact assessments should be a top priority for industry and production. A product passport would ensure a minimum standard of information on environmental impact, respect of human and labour rights, durability, and recyclability so that products can be effectively trusted and compared. Emerging technologies, such as blockchain, must also be monitored and regulated as practices such as cryptocurrency mining take a massive toll on the environment and power grids

Better regulation is needed to reduce the use of energy linked to digitalisation and data centres. Electronic devices must become more sustainable through smart product design, clear repairability and longevity standards, and Extended Producer Responsibility schemes (EPR). Both software obsolescence and planned obsolescence needs to be regulated. Higher repairability must be the norm and repair work should be supported by a lower VAT rate to encourage repair and refurbishing. All e-waste leaks need to be closed through mandatory takeback and EPR schemes. The EU should establish ambitious recycling rates for the raw materials that are necessary for these green digital transitions while decreasing its dependency on imported mined materials. Robust policies and tools, based on SDGs, impact assessments and oversight, can establish a regulatory framework to ensure the alignment of Europe's digital and green ambitions.

These measures will help the EU to lead on innovation, become more competitive and more sufficient regarding raw materials to ensure a smart and green digitalisation that serves our ultimate societal goals.

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WANT TO KNOW MORE?

Only by working together can we provide common solutions to the challenges Europe faces and ensure that Europeans' ambitions mirror the future work of the European Union. By bringing our member organisations together in our Political Committees, we continuously develop new policy positions and put existing ones to good use. Please visit our website <u>www.europeanmovmement.eu</u> to take a look at our main policy positions that guide our current work and get in touch if you would like to join us or support our work.





European Movement International www.europeanmovement.eu Place du Luxembourg 2 B-1050 Brussels, Belgium secretariat@europeanmovement.eu





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