AURELIEN BILLOT

Head of the Commercial and Development Policies Unit at the General Secretariat for European Affairs, France

Patrick NICOLET

Talking about dealing with the policies, I am pleased to introduce Aurélien, who is on the other side, what I call the public sector entrepreneur, because it takes two to tango, and so the partnership must be created. You belong to this generation of millennials, you have friends, they develop, you interact with them very easily, what is your take from the public sector perspective on these developments, and what do you see as a solution that could be brought into the current institutions?

Aurélien BILLOT

Thank you so much and thanks to Thierry for allowing us to have this fruitful debate. My name is Aurélien Billot, and I am the head of the Trade Policy Unit at the French General Secretariat for European Affairs: my job is basically to bring ministries in the same room and to make them talk together, and to possibly have innovative ideas on trade policy. Data is of course one of these issues, a rising issue, and as we are at the World Policy Conference, talking about global governance, I think it is very useful to also talk about this other side of the mirror.

If you allow me to take a step back, we have had presentations of four very promising startups from different parts of the world in different domains. In Europe there are about 6 million entrepreneurs in that field, representing a value of about 60 billion a year, which will be 110 billion by 2020, so it is a very thriving industry. At the same time we see some difficulties. Some are difficulties of old, like the question of regulation, of democratic ownership; and others are new challenges such as the speed at which this technology is evolving, the speed at which you need to react in this field, the monopolistic issues raised by big data platforms and finally, the issue that was mentioned earlier in the conference which is: if it is free, you are the product. This all means that you have to deal with a different environment. I also take from previous interventions that we are talking about a thriving economy, and yet that at the same time we have a lot of emotional and political issues to solve.

What are the main challenges for the EU from a policy perspective? I see three main challenges:

- The first one, which Patrick alluded to, is that of data governance, or data privacy versus data sharing. The benefits of sharing are huge: everyone has used Google Maps to know where the traffic jams are, and at the same time you might not want to be geolocalised at any time. Therefore a balance needs to be struck here, and, as no one is reading the terms of use or the authorisations of the apps, it is primarily a policy question.

- The second is the alternative between access and security. One of the huge challenges for data is to share it, but at the same time there are security concerns that justify imposing limits on that. Fragmentation issues between different technical solutions or legislative frameworks also have the same impact.

- The third main challenge I see is that of fair competition, and one way of saying it is that these big data technologies challenge almost every business we can think of. When Uber, a data company, goes into the field of taxi drivers, they challenge the business model of taxi companies. Online media challenge cultural diversity because they are not subject to the same rules as traditional media. Finally, from a European point of view, they challenge our economy because the US now, and possibly China and other countries tomorrow, have quite a competitive edge in that regard.

What can the EU do on these three aspects? I think it brings us back to Natalie's remark of trying to build an ecosystem that allows innovation to strive whilst addressing these three issues.

- On the first issue of data governance, for example, we have an issue both with personal data, which is data that can be linked to someone, and non-personal data. Regarding personal data, we have an EU regulation, and the main challenge will now be how to implement the new EU/US personal data information exchange. You may know that the previous one, the Safe Harbor, was disqualified by the European Court of Justice; the new one, which has been in force since last July, is a bit smarter because it allows better enforcement: whether the ECJ approves of this new framework will be decisive because of course the US makes up most of data flows for the EU. On non-personal data, we need new policy to precisely define which barriers make sense and which do not. For example, when you want to protect critical infrastructure, when you want to ensure the security of key data, or when you want to ensure that online platforms comply with safety rules, these are legitimate barriers to data transfer; but, on the other hand, non-personal data should be allowed to flow as freely as possible when it is not sensitive.

- On the issue of access versus security, there is also a lot of work to be done to standardise platforms, to agree on common European standards - which will be linked with cybersecurity issues -, and to address the issue of enforcement, which links back to what Edouard said on accountability, because having access to this data is what will allow us to implement this accountability.

- Finally, the issue of the level playing field might be the most complicated one. Beside the point that Natalie made on developing skills or investment, I would like to stress the French proposal to find a way to tax profits in a fair way for all data companies so as to avoid tax evasion and to ensure that all companies abide by the same tax standards. The complexity of this issue stems from the difficulty to localise profits, hence the idea of also taxing sales.

In conclusion, in this thriving environment, we need an entity with democratic ownership that can address these issues of data governance, of access versus security, and of a level playing field, and I think that the EU has a chance here and could help fill this gap for all of us.