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Speech

Ladies and gentlemen, good afternoon. It really is a strange feeling to be at a physical conference again. You are not on screen – you are real. I am no longer used to this, I must confess.

Many thanks for inviting me. I thought that I could bring something special to this first new physical meeting. I remember that, last year, it was an online conference. Today, we approved the proposal of the new regulation which is called the Data Act. The aim of the Data Act is, basically, to regulate, in terms of framework, whatever has to do with data and transactions.

Let me give an example. If you buy a car these days, the question is whether you are buying the data that comes with the car – yes or no? Are you the owner of the data? Can you decide where the car can be repaired – yes or no? Do you own the utilisation data of the car? Those are the questions that the Data Act tries to answer: the question of balancing the rights of the producer and the rights of the users – the rights of the user to repair. For instance, take an industrial robot. Of course, the user of an industrial robot is very interested in the usage data. Since everything is connected, it is very important that we establish clear rights and obligations of the two parties.

The Data Act also covers the relationship between large and small companies when it comes to data contracts: what the obligations are and what the right balance is. It also covers

something very important for the financial sector, which is cloud and IT-system portability. We have done work in terms of self-regulatory codes around porting in the cloud environment in the past. Now, with the Data Act, this becomes an obligation. We have seen it in the telecom sector in terms of what the obligation to port your number meant. That immediately sparked competition in the mobile sector.

The reason why we have a very vibrant mobile sector in Europe is that you can change very quickly, and the companies are very well aware, which is why they offer big incentives for you to stay. We want the cloud sector to be like this. I heard many of you coming to my office and complaining about lock-in of cloud vendors and IT systems, so it now becomes a right to move from one cloud provider to another. Special arrangements for data in the financial sector will stay. This new Data Act will not rewrite the second Payment Services Directive (PSD2) regulation, but, in future, these special rules for the financial sector will have to be aligned with the general provisions of the Data Act.

There is one very important element that should be of interest to you, which is that, for the first time ever in European law, we introduced and legalised smart contracts. This is the first legislation in the world that looks at smart contracts. First of all, it says it is absolutely legally okay to have a smart contract, and then introduces four or five

essential characteristics in terms of usage and control of a smart contract, which, we hope, will now accelerate the possibility of using smart contracts as a way of having innovative payment systems – what we call the Internet of Payments – and a new web of cooperation between financial and industrial actors in many different sectors.

In this respect, we have another important element of our strategy, which is to make sure that we guarantee a level playing field when it comes to the Internet economy. We have actors that are very successful, and there is no problem in being successful in a liberal society, but success and size come with responsibility. In the platform economy, we call these successful companies gatekeeper companies.

If a company operating in the financial sector needs the activation of the radio function – what is called the near-field communication (NFC) – this cannot be at the will of the gatekeeper company. This must be available to everyone, and that is the Digital Markets Act. We have proposed that the basic features of a gatekeeping platform are open to whoever wants to access them on a level playing field. We hope that the final agreement on the Digital Market Act looking at how companies access platforms, and the Digital Services Act looking at how services are offered, will come under the French presidency in two or three months from now. This will then become European law, which means that we hope that we will realise a level

playing field when it comes to accessing very large platforms from the perspective of third-party companies like financial actors, no matter whether they are big or small.

I will finish by looking at something that is our responsibility, which is cybersecurity. We are in times where we have to be very attentive to the dimension of cybersecurity, which is becoming an element of global security in terms of having secure IT systems, and also of strategic importance. It is also very important for corporations. It is a C-level responsibility. That is what we say in the new Network and Information Security (NIS2) Directive, and that is also what the twin directive for the financial sector, the Digital Operational Resilience Act (DORA) says. There needs to be C-level responsibility. Systemic risk needs to be understood by top management.

As the European Commission, we are more and more at the front line of facing systemic crises – we did it during the pandemic and, unfortunately, we are in front of a new, complex crisis as we speak – and in terms of systemic issues about our economy. That is why, two weeks ago, we presented the so-called Chips Act, which is a very new way of looking at things. We said that Europe must be much more resilient when it comes to microelectronics. This is a combination of us being ready to invest to step up recession development and even to contribute to building factories in

Europe, but then the private sector has to come in.

The very same day we signed an agreement with the European Investment Bank (EIB), we invited international investors to invest in Europe and in making Europe more resilient in terms of chip production. We will do the same with raw materials. Wherever we spot a systemic crisis, it is important that we are able to deploy the same collective response we applied to the pandemic. We are also looking at a number of new technologies, such as artificial intelligence, quantum technology and super-computing, which are important developments for the financial sector. You can be reassured that we will be your partners in doing our share, which is, of course, the public side of things, and make sure that we advance. Many thanks for your attention.