

_SUPPORT FOR PUBLIC DIGITAL INFRASTRUCTURE IN THE NEXT MFF

Open Future welcomes the opportunity to contribute to the European Commission's public consultation on the next Multiannual Financial Framework (MFF). In addition to our responses to the questionnaire, we would like to highlight the following points that we consider important for the design of the next EU framework budget.

Digital infrastructure, encompassing both hardware and software, is the backbone of the EU economy and a factor that can either facilitate or undermine the functioning of European democracies.

The control over digital infrastructure, from chips, through cloud to social media platforms and office suites, all vital to Europe's economy and daily life of people residing in Europe, is now concentrated in a few, mostly foreign, hands. This shifts wealth and decision-making power away from the EU and exposes it to external pressures, from U.S. sanctions to Russian disinformation campaigns.

Turning the ambition of digital sovereignty into reality requires concrete budgetary commitments. The next EU's Multiannual Financial Framework offers a crucial opportunity to correct the course of the EU's digital transformation.

In order to preserve its ability to set and implement its own rules and make independent technology decisions, the EU needs to strategically allocate funds in the forthcoming MFF to accelerate the development and uptake of solutions that strengthen Europe's technological resilience and promote socially beneficial, environmentally sustainable innovation.

Given the significant financial gap between the EU's public investment in digital technologies and the vast resources of large tech companies, and the political economy of digital infrastructure that gives outsized power to commercial actors operating outside geographically defined spheres of democratic control, EU institutions must carefully prioritise which dependencies to address first and how to tackle them. The focus should be on areas where public funding can deliver the greatest value for money and most effectively reduce dependence on foreign proprietary systems.

As with other forms of infrastructure, sustainable public investment should prioritize the essential digital infrastructure that people and businesses depend on every day. This includes digital services that are ostensibly free to use, but in practice are monetised through the extraction of personal data, attention and behavioural insights. Such business models often incentivise misinformation and harmful speech, weakening the democratic quality of the medium. Public funding should be used to create or support alternative models that build social and economic resilience.

Given the crucial role digital platforms, including but not limited to social media platforms, play in economic and social life, information dissemination, shaping public opinion, and influencing democratic debate, failing to safeguard their integrity and reliability undermines the resilience of EU's economy and societies and, as a result, the sovereignty of the Union. Supporting alternatives in these areas would protect fundamental rights, challenge exploitative business models and reinforce Europe's competitiveness and digital sovereignty.

Under the current MFF, many funding programmes for digital technologies provide only shortterm financial support that is ill-suited to the needs of sustainable maintenance of digital infrastructure. When funding programmes only provide initial support for the development of services that users expect to be free, there is a structural pressure on these alternatives to either adopt behaviorally manipulative and data-extractive business models or risk failure due to lack of sustainable revenue.

In light of this, the EU, through its funding instruments, must play a stronger role in fostering digital alternatives that are interoperable and based on open standards. To this end, the EU should, as part of the forthcoming MFF, establish a public digital infrastructure fund, as a successor to some elements of the Horizon Europe and Digital Europe programmes, to support the development, deployment and maintenance of alternatives to current digital platforms.

These alternatives should support privacy preserving communication, political and civic engagement, fair economic exchange, and serve as spaces for knowledge sharing and scientific collaboration. To reduce the risks associated with monopolistic control and safeguard fundamental rights including access to information, they should be governed through models in which no single private entity or state authority holds centralized power. The EU can draw on existing models, such as digital commons, platform cooperatives, and the public service broadcasting tradition, to inform the design of publicly funded, yet independently governed, digital solutions that serve the public interest.

Recognising the urgency of development, deployment, and long-term maintenance of viable alternatives to dominant big tech platforms, the EU must commit to sustained public investment, dedicating €100 million annually to this end.

The digital platform alternatives supported by the EU should be deployed on a sovereign cloud infrastructure that is interoperable, based on open standards and structurally independent of the services it hosts. Therefore, the next multiannual financial framework should also provide dedicated funding to support the development and deployment of a sovereign European cloud infrastructure that is environmentally sustainable and complies with data protection and fundamental rights standards



ABOUT OPEN FUTURE

<u>Open Future</u> (TR: <u>936143941653-07</u>) is a European think tank that develops new approaches to an open internet that maximize societal benefits of shared data, knowledge and culture.