



News Release

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Europe Sliding in Global Ranking of Cloud Computing Policies, BSA Study Shows

First report to track changes in policy landscape for burgeoning cloud market finds Japan in the lead

Brussels — 7 March, 2013 — A first-ever analysis of the shifting international policy landscape for cloud computing finds leading European IT economies losing momentum in a global ranking of cloud-related policies in 24 countries. Japan, Australia, and the US lead the global market, while Singapore has leapt into the top five.

BSA | The Software Alliance evaluated national laws and regulations in seven policy areas critical to the development of a globally integrated cloud marketplace. The findings released today in the [2013 BSA Global Cloud Computing Scorecard](#) build on a first edition of the study, published in early 2012.

The study finds progress on cloud policy has stalled in many of Europe's largest economies:

- Germany was knocked into fourth place this year as the US rose to third in the rankings.
- France and the UK dropped one place each to sixth and seventh respectively.
- Italy dropped four places to 10th in the rankings, while Spain slipped two places to 11th.
- Poland slid one place to 12th this year.

"We're seeing patchy progress in the policy landscape for cloud computing," said BSA President and CEO Robert Holleyman. "The current mismatched privacy and security rules across Europe are making it hard for data to flow across borders, and too many countries are chopping off pieces of the cloud for themselves. This undercuts economies of scale that would benefit all Europeans."

"The review of Europe's data protection rules is an opportunity to create a modern-day framework that supports development of cloud computing in Europe and abroad. However, highly prescriptive, Europe-centric rules are no way to build a global marketplace — and will ultimately sideline the European Union from the global cloud market," Holleyman said.

The Scorecard's biggest mover is fifth-ranked Singapore, which vaults up five places after adopting a new privacy law that builds user trust while also promoting business innovation. The study finds that Japan continues to lead the global rankings with a comprehensive suite of laws supporting digital commerce. Australia remains in second place, with the US edging into third this year.

Meanwhile, some countries are effectively unplugging themselves from the global cloud market — with especially counterproductive policies in Korea, Indonesia and Vietnam.

To capture maximum benefit from cloud computing, BSA advocates a policy blueprint covering each of the seven areas in the study — data privacy, cybersecurity, cybercrime, intellectual property, technology interoperability and legal harmonization, free trade, and ICT infrastructure.

Specifically, BSA recommends policymakers take the following actions:

1. *Ensure privacy:* Users must have faith their information will be treated carefully, and providers must have freedom to move data efficiently in the cloud.
2. *Promote security:* Effective risk management requires flexibility to implement cutting-edge security solutions.
3. *Battle cybercrime:* Law enforcement and cloud providers alike need effective legal mechanisms to combat illicit access to data.
4. *Protect IP:* Laws should provide clear protection and enforcement against infringement of underlying cloud innovations.
5. *Ensure data portability and harmonizing global rules:* Governments should work with industry to develop standards that facilitate data flows while minimizing conflicting legal obligations.
6. *Promote free trade:* Eliminate barriers such as preferences for particular products or service providers.
7. *Bolster IT infrastructure:* Provide incentives for investment in broadband and promote universal access.

The full, 24-country rankings, including detailed findings for Europe and BSA's policy blueprint are available at www.bsa.org/cloudscorecard.

About BSA

BSA | The Software Alliance (www.bsa.org) is the leading global advocate for the software industry. It is an association of world-class companies that invest billions of dollars annually to create software solutions that spark the economy and improve modern life. Through international government relations, intellectual property enforcement and educational activities, BSA expands the horizons of the digital world and builds trust and confidence in the new technologies driving it forward.

