Five EU Countries Among Top 10 for Cloud Computing Policy, BSA Reports, But Data Restrictions Could Threaten Growth

Germany, France, Italy, UK and Spain among global leaders, according to study

Brussels — February 22 — Five EU members rank among the top 10 countries globally for policies and regulations that promote cloud computing, the Business Software Alliance reported today in a new study. Despite the strong rankings, however, the leadership positions of EU countries could be undermined by new policies — or restrictive interpretations of existing policies — that would prevent the flow of data across borders or create a bias for domestic cloud service providers over foreign competitors.

The BSA scorecard, a first-of-its-kind ranking of 24 countries accounting for 80 percent of the global information and communications technology market, assesses seven sets of indicators: data privacy, cybersecurity, cybercrime, intellectual property, technology interoperability and legal harmonization, free trade, and IT infrastructure. Germany ranks third in the study, France places fifth, Italy sixth, the UK seventh, and Spain ninth. Poland comes in 11th among the 24 countries studied.

“The true benefits of cloud computing come with scale,” said BSA President and CEO Robert Holleyman. “In a global economy, you should be able to get the technology you need for personal or business use from servers located anywhere in the world. But that requires laws and regulations that let data flow easily across borders. Right now, too many countries have too many different rules standing in the way of the kind of trade in digital services we really need.”

Among the study’s key findings:

- There is a sharp divide in cloud readiness between advanced economies and the developing world. Japan, the United States, and EU all have established solid legal and regulatory bases to support the growth of cloud computing, while developing
countries, such as China, India, and Brazil, have the most work to do to integrate them into the global cloud market.

- The study’s most surprising finding is that some of the countries that are doing well are also walling themselves in with laws and regulations that conflict with other countries. For example, the European Union’s proposed Data Protection Regulation could undermine the potential scale and economic impact of the cloud.

- By the letter of its laws, Germany provides one of the best locations for cloud computing service worldwide. However, overly restrictive interpretations of Germany’s laws threaten to undermine the spirit of those same laws. For example, by placing geographic restrictions on data that are neither supported in law nor needed to protect certain classes of data, practices in Germany could undermine its own potential for success in the cloud.

- For public sector use of Information and Communications Technology (ICT), the UK’s G-Cloud Strategy is the most fully elaborated cloud policy in Europe and adopts a “public cloud first” approach for public procurement.

- Poland’s ICT infrastructure and access to broadband is still fairly limited, considering its progress in other areas such as privacy, electronic signatures, electronic commerce and cybercrime. Significant improvements will be required in broadband access for Poland to reap the advantages of the growing cloud computing market.

“In recent years, EU Member States have made great progress in developing solid policy environments to promote the full potential of cloud computing,” said Thomas Boué, BSA’s Director of Government Affairs, EMEA. “However, a healthy national market for cloud computing does not necessarily translate into a market that is attuned to the laws of other countries. It is important to allow data to flow smoothly across borders — within the EU as well as beyond. We must do more to ensure the development of a healthy global cloud computing system.”

BSA proposes a seven-point policy blueprint for governments around the world to expand economic opportunity in the cloud:

1. Protect users’ privacy while enabling the free flow of data and commerce.
2. Promote cutting-edge cybersecurity practices without requiring the use of specific technologies.
3. Battle cybercrime with meaningful deterrence and clear causes of action against criminals.
4. Provide robust protection and vigorous enforcement against misappropriation and infringement of cloud technologies.
5. Encourage openness and interoperability between cloud providers and solutions.
6. Promote free trade by lowering barriers and eliminating preferences for particular products or companies.
7. Provide incentives for the private sector to invest in broadband infrastructure, and promote universal access to it among citizens.

The full, 24-country rankings, including detailed findings for France, Germany, Italy, Poland, Spain and the UK as well as BSA’s policy blueprint are available at www.bsa.org/cloudscorecard.

**About BSA**

*The Business Software Alliance ([www.bsa.org](http://www.bsa.org)) is the leading global advocate for the software industry. It is an association of nearly 100 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.*