

Openforum europe

open, competitive choice for IT users

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OFE's input to the DSM mid-term review

Opening remarks

OpenForum Europe (OFE) is a not-for-profit, independent European based organisation which focuses on openness within the IT sector. OFE also hosts a think tank, focussed around our global network of OpenForum Academy Fellows, each contributing significant innovative thought leadership on core topics. For us at OFE, openness is not a label or tool used by certain organisations seeking a little 'pixie dust' to bolster their digital transformation credentials; instead, openness is an all-encompassing approach which is defined by using a set of five OFE-[developed](#) principles, namely: user-centricity, competition, flexibility, sustainability and an open and transparent community.

Openness as applied to the DSM means providing choice to consumers, including options to help eliminate lock-in. It also means providing a level playing field between producers, promoting competition on functionality and quality, and facilitating innovation. We also believe that for the DSM to thrive and continually innovate, the market should enable the construction of complex combinations of products and/or services from different providers, where parts of the combinations can be easily upgraded or replaced when better products or services become available in the future. This will enable the construction of products and services (and combinations thereof) that are sustainable in terms of access to information, cost and socio-economic impact. In this regard, openness can play a fundamental role in maximising the growth potential of the Digital Economy, one of the main objectives of the DSM Strategy. In particular, openness can play a fundamental role in boosting competitiveness through interoperability and standardisation (section 4.2) and in the provision by public administrations across Europe of inclusive e-services (section 4.3.2)

How can openness help boost competitiveness through interoperability and standardisation?

To a large extent, ICT standards provide the basis for digital transformation. ICT technology standards form basic building blocks for systems integration, which are complemented by other standardisation deliverables on a more vertical level, such as Reference Architectures, standards describing special semantics, process standards, use cases as well as, finally, standards roadmaps.

Moreover, plug tests, plug fests and open source implementations now play an increasingly important role in helping capture information about the actual state of maturity of relevant standards, and about

work that is needed for improvements.

Although there is general agreement that European standards should be developed in an open, inclusive and transparent system, the current policy debate appears only to mention the FRAND ('fair, reasonable and non-discriminatory') licensing system, without taking into account the problems of implementing FRAND-based standards in open source software. Whilst Royalty-Free ('RF') licensing is indeed a form of FRAND licensing, FRAND in itself is not sufficient to implement a standard in open source software. Whilst we recognise there is no need to present one as being better than the other in every market situation, OFE views the mid-term review as an important opportunity to use the remainder of the mandate to establish a clarity of consensus in the area of software interoperability, where RF licensing is one of the essential building blocks required in order to unleash faster innovation and the adoption of technologies that are fundamental for the digital transformation (i.e. tools such as the Cloud, IoT and even 5G).

As new technologies evolve, SDOs will be tempted to be fast in addressing these new areas, as well, and offer standardisation activities to proceed fast. While being fast is important, timing is critical for allowing evolving technologies (i.e. blockchain) to establish on the market and mature before their principles get carved in stone via standardisation.

It will be critical all stakeholders involved in standardisation and in the governance of SDOs to define a mechanism for standardisation to accompany and support evolving technologies without pulling them into the usual structures and processes of standardisation right away. And as a lot of innovation is today driven in open source projects this will have to include the aspect of collaboration with open source, as well. We may expect that this overall standardisation ecosystem will have to evolve into something like a dynamic network of tools and processes for bringing new technologies to the market, allowing them to mature, providing, in a timely manner, those standardisation deliverables the market requires at a specific point in the innovation value chain.

How can openness support inclusive e-services?

The European public sector plays a key role in society, as a hub through which citizens can be more connected and involved in determining their future. Therefore, in order to reap the full benefits of digitising public services (e.g., e-government, e-justice, e-health, e-energy or e-transport), these services will need to be more inclusive, allowing every member of society to engage with them. This will be only achievable through the deployment of open services that guarantee interoperability.

As the public sector is the biggest single purchaser of ICT in Europe (approx. EUR 50.3 billion in 2014¹), it not only has policy power to fast-track Digital Transformation but also market power to do so. As such, public administrations play a fundamental role in promoting and driving openness in the DSM. An example of policy leadership is the European Interoperability Framework (EIF), which has become a key instrument for raising awareness and educating public procurement officials about this important issue.

¹ European Commission (2014). Quantifying public procurement of R&D of ICT solutions in Europe. Available at: http://ec.europa.eu/newsroom/dae/document.cfm?action=display&doc_id=6956. Accessed 23 March 2017.

The v.3 draft of the EIF put forward for public consultation mixed “transparency” with the “openness” idea (both as a state of mind that is a precondition for sharing, reuse and collaboration, as well as the foundation for recommendations of technological neutrality and open standards). The final version, however, successfully puts “openness” back on the agenda, recognising the importance of open specifications, and recommending the establishment of a level playing field for open source software as well as the demonstration of active and fair consideration of the use of open source software. Moreover, this final version lists among its purposes the principle of open-by-default.

With the new EIF now in place after its publication by the Commission on March 23, 2017, the focus must move to its implementation. Recent events in Munich (Germany) or Extremadura (Spain) show that at national, regional, and local levels there are many variables which can inadvertently deflect the inevitable trajectory (both policy- and technology-wise) towards openness. As such, whilst Member States update their respective National Interoperability Frameworks, the European Commission should include support for Member States' alignment to the EIF recommendations as a DSM priority. Leading by example, the European Commission could also proactively share best practices for adopting in-house open source software solutions, and actively explain the different licensing schemes and associated intellectual property rights considerations, so as to avoid core concepts being misappropriated to the detriment of timely realisation of the European DSM.

Further, one core element of this alignment exercise is the need to tackle existing fragmentation at national level around some of the definitions present in the EIF (e.g., the term ‘Open Standard’). Many stakeholders continue to choose to refer to EIF version 1, which could well have an impact on the adoption in practice of the new EIF.

Where to next with the DSM?

The technology success of open source should be one of the factors which together determine whether a DSM has been successfully built. We are already off to a powerful start, given the success of Linux, one of Europe’s greatest IT innovations, which is no. 1 in Data Centres and which runs 98% of high-performance computing (HPC). Open Source technologies play an important role in the market place, e.g. around Cloud, big data, and mobile, which constitute other key ingredients of a thriving DSM.

The importance of increasing trust and security, as well as the importance of algorithm transparency and accountability are areas which are becoming increasingly relevant, and should therefore be core parts of the DSM. Open source technology can play a major role for that.

Openness is fundamentally about giving choice to users, promoting interoperability, ensuring transparency and trust, and facilitating portability in core IT solutions (not only those of today, but also those of the future). Indeed, these same principles apply equally to new software policies being developed in the field of artificial intelligence, robotics or autonomous cars and devices - and Europe's DSM strategy needs to reflect the forward-looking nature of this now mainstream technology.

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About OpenForum Europe

[OpenForum Europe](#) (OFE) is a not-for-profit, independent European based think tank which focuses on openness within the IT sector. We draw our support not only from some of the most influential global industry players, but most importantly from across European SMEs and consumer organisations and the open community. OFE also hosts a global network of [OpenForum Academy Fellows](#), each contributing significant innovative thought leadership on core topics. Views expressed by OFE do not necessarily reflect those held by all its supporters.

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