NESSI Response to the European Cloud Strategy
Unleashing the Potential of Cloud Computing in Europe

In September 2012 the European Commission published the communication "Unleashing the potential of Cloud Computing in Europe". The communication addresses three specific challenges - contract terms and certification schemes, the large amount of available Cloud standards, and public sector Cloud uptake.

NESSI, the Networked European Software and Service Initiative strongly supports the initiative to highlight the relevance of Cloud for the European economy and society and fully agrees with the statement that Cloud is one of the Digital Market’s most important innovation drivers, boosting productivity, growth and jobs for the entire European Union. NESSI is convinced that Cloud will affect not only the software and services sector, but all software intensive sectors that benefit from Cloud-based software innovations.

NESSI especially welcomes the recognition that a faster Cloud adoption would foster growth in Europe because small and large European application developers will respond to the rising demand for Cloud services. Recent studies predict that the future for Europe in the Public Cloud market in fact lies in software-based Cloud solutions and that this segment will be the base for increased productivity, rather than infrastructure. NESSI especially supports any endeavour to foster cloud-take up by SMEs, as Europe’s 2.8 million SMEs represent a significant segment of the EU industry and account for the majority share in EU employment (87.5 million) and could benefit greatly, both as provider and user of Cloud Services, by an improved environment favouring Cloud adoption.

NESSI further strongly supports the statement that it is essential to build trust in different cloud solutions. According to the European Cloud Strategy, trust in the Cloud starts with an appropriate set of standards. However, for the Software and Services sector when it concerns Cloud, standardisation is of value first in the later stages of the innovation cycle, which is why NESSI promotes the need to differentiate the Cloud market to see the different standardisation needs of the Cloud. NESSI believes that it is crucial to understand the importance of standards but that it at the same time is central that any ICT standardisation policy also is adapted to the fast market developments in the ICT sector in order to truly drive innovation and competitiveness for Europe.

NESSI endorses the Commission initiative to ensure that EU data protection rules cater for both geographical and technical realities of Cloud Computing, guaranteeing a high level of protection for individuals. Within this context, NESSI especially welcomes the action to invite industry to jointly formulate a code of conduct for Cloud Providers with regards to Data Protection. NESSI’s view of the current Data Protection proposal is however that is does not foster competitiveness in the European Union since newly proposed obligations are too complex to be properly understood, coupled with constraints on implementation that limits flexibility needed by business to efficiently utilize technologies to remain competitive in a global economy.

Concerning service level agreements for professional users of Cloud services, NESSI has been involved in the project SLA SOI that aims to develop technologies that can embed SLA-aware infrastructures into the service economy. Last year, SLA SOI published a book on SLAs for Cloud Computing and NESSI supports the initiative to further develop activities in this important area.

1 “Sizing the Cloud”, Forrester Research Inc, Stefan Ried and Holger Kisker and 21 April 2011, Figure 3, p.9.
With regards to the European Cloud Partnership, NESSI recognises the European Commission activities on pre-commercial-procurement and to increase Cloud adoption by the public sector. NESSI strongly supports the initiative and believes it is an important first step to harmonise public sector requirements for Cloud. NESSI is prepared to assist the public sector and Members States to shape the future Cloud market.

NESSI once again welcomes the Commission initiative to boost Europe’s economy by focusing on Cloud uptake. NESSI is looking forward to the report on the progress of the actions set out in the European Cloud Strategy and any proposal for further initiatives. Meanwhile, NESSI is fully committed to support Europe in the efforts to speed up the adoption of Cloud Computing.