

20 September 2024

Feedback of

ACT | The App Association
(Transparency Reg. #72029513877 -54)
Rue Belliard 40,
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to the

European Commission

regarding its

Digital Europe programme

ACT | The App Association's feedback to the European Commission's Digital Europe programme

I. Introduction

ACT | The App Association (hereafter 'App Association) welcomes the opportunity to submit comments to the European Commission consultation on its Digital Europe programme.

The App Association is a not-for-profit policy trade association for the small business technology developer community. Our members are small to medium-sized enterprises (SMEs) within the app ecosystem that engage with verticals in industries across the European Union (EU) and around the globe. We work with and for our members to promote a policy environment that rewards and inspires innovation while providing resources that help them raise capital, create jobs, and continue to build incredible technology. Today, the ecosystem the App Association represents—which we call app economy—is valued at approximately 830 billion euros globally and is responsible for over 1.3 million jobs in the European Union (EU).¹

II. Digital Europe programme

The App Association strongly supports the ongoing digitalisation efforts, particularly those that prioritise the inclusion of SMEs in the technology landscape. As an organisation representing SMEs in the digital space, we recognise the strategic importance of this programme in addressing the digital infrastructure needs and fostering innovation across Europe.

In particular, we appreciate the programme's focus on:

1. **High-performance computing:** This is vital for ensuring SMEs can access advanced computation resources, driving innovation in sectors such as health tech, AI, and cloud services.
2. **Artificial intelligence:** The European AI platform and testing facilities are critical in enabling SMEs to integrate AI solutions, boosting their competitiveness and enhancing Europe's AI ecosystem.
3. **Cybersecurity and trust:** The establishment of advanced cybersecurity infrastructure, including quantum-secure communication, is essential for SMEs that rely on robust cybersecurity solutions to safeguard their operations and customer data.
4. **Advanced digital skills:** Supporting SMEs in digital upskilling through collaborative initiatives between educational institutions and industry will enhance their ability to meet emerging challenges and benefit from cutting-edge technologies.
5. **Semiconductors:** The promotion of leadership in semiconductor technology is key to ensuring that the European tech ecosystem, including SMEs, remains competitive in global markets.

¹ See <https://actonline.org/wp-content/uploads/Deloitte-The-App-Economy-in-the-EU-2020.pdf>.

While we reaffirm our commitment to supporting digitalisation across the EU, we also recognise that the current regulatory landscape poses significant challenges for SMEs.

One critical issue that continues to arise is the over-regulation in the digital landscape. The pace at which regulations have been introduced in the recent years has made it increasingly difficult for smaller businesses to keep up. As SMEs strive to comply with a multitude of new laws, they often lack the resources and capacity to follow and implement these regulations effectively, resulting in added burdens.

Now, more than ever, we believe the focus should shift towards practical implementation and providing clear guidance to SMEs on how they can navigate this complex regulatory environment. Rather than continuing to introduce new regulations, it's time to consolidate existing frameworks and offer tailored support to SMEs to ensure they can take full advantage of the digital opportunities available to them.

The key to fostering growth in the digital economy lies in reducing unnecessary bureaucratic obstacles and offering SMEs the tools and support they need to thrive. Providing more guidance and practical assistance, rather than layering on additional regulatory requirements, is crucial to boosting the competitiveness of SMEs and ensuring their active participation in Europe's digital future.

In conclusion, the App Association calls for a more balanced approach where regulatory efforts are coupled with practical implementation strategies that prioritise the needs of SMEs. This will ensure that Europe's digital transformation is inclusive and that SMEs can fully contribute to and benefit from these initiatives.

The App Association appreciates the opportunity to provide its views to the European Commission and commits to collaborating in an effort to promote a competitive ecosystem. We remain fully available for any further discussions or inquiries you may have. We look forward to continued collaboration and meaningful dialogue.

Sincerely,



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