



Beirat Junge Digitale Wirtschaft
beim Bundesministerium für Wirtschaft und Energie



Digital Innovation and Digital Transformation in Europe

Developing a Franco-German API: Action Plan for Innovation

Digitalization, Education and Promotion of E-Entrepreneurship

- We require “digital education” to be progressively generalized in European core educational programs in order to ensure that everyone can master digital technologies (such as programming, algorithmics, data analysis, robotics, web design, 3D printing, etc.), understand all the dimensions of the digital revolution (social, political, economic, technical, ethical) and develop skills aimed at entrepreneurship and innovation (projects, cooperation, etc.). To do so, digital studies could be a useful input to improve educational curricula, contents, methods and evaluation.
- We need to consider massive investment - from public and private institutions - in digital education as a priority in the European roadmap, at three levels: to adapt teaching methods, educational contents and tools to the digital society, to support the development of a competitive e-education sector, to develop new academic chairs and research centers for e-entrepreneurship, establish competence in electronic business processes and business models, maintain a high potential for innovation and soft skills, for employees in mid-sized companies and large industrial companies.
- We need to reinforce an open and cooperative network of European digital schools, institutes, research centers, etc. at the European level in order to set research common objectives and simplify resources mutualization, consolidate a European transdisciplinary research program dedicated to the digital transformation - the “digital studies” (economic, social, legal, technical, ethical and organizational aspects), facilitate transborder educational and research projects as well as students and researchers mobility, and be part of a renewed European education and research environment that promotes transdisciplinarity, multiculturalism, knowledge sharing and entrepreneurship spirit. Strong and visible partnerships could be created between the future German Internet Institute and its French equivalent(s).

European Ecosystems for E-Startups

- We need to encourage off and online exchanges that help to start making sparks between European projects: we should support European marketplaces for the digital economy for a transboundary coordination of professionals and cooperation between startups, mid-sized companies, and large industrial companies, and we should allocate European funding programs to the support of trade fairs and events hosted by and arranged for digital startups.
- European startups need to be European by birth, which means integrating international talents: the European Union should further support and enlarge structural partnerships between European incubators, economic clusters and cities as well as the “ERASMUS for Young Entrepreneurs” program. We also need to create a “Startup ERASMUS” with a harmonized social security framework and covered by European scholarships.
- Startups need to scale as European actors, not as national ones. France and Germany should support favorable and harmonized fiscal and social regimes for innovative startups in Europe in order to support their development and reduce barriers to their internationalization. On the short term, they could agree on a "Young Innovative Company" status, which would allow startups to benefit from a 7-year harmonized framework in France and Germany, and they could commit themselves to develop “Startup Visa Programs”, which should include facilitated access to administrative formalities, application processes to government support programs (access to subventions, favorable tax regulations, etc.) and local networks (especially incubators, investors and mentors).

European Venture Capital for E-Innovations

- We need to establish a more attractive European business angel environment to support early stage investments in startups and enable individuals to invest in the digital economy by: creating a business angel network, improving the fiscal environment for professional and non-professional BA and redirecting savings towards innovation.
- We need to improve access to the financing market for startups and investors at EU level. The Capital Market Union should be framed according to several principles: establish simple, stable and harmonized regulatory frameworks between EU countries, promote innovation in the constitution of new funds (transborder funds, public-private funds, etc.) within the financial market (stock exchange), share best practices, and cooperate on valuation rules and expertise.
- We need to improve the equity balance in Europe i.e. move from a debt-based financing to an equity-based financing to adapt the financing chain to the innovation-based economy by:

adapting the role of institutional investors (banks, insurance, public actors) in the funding of innovation, impulsing a cultural change in order to better approach new business models.

European Digital Market

- We need to create a platform rating agency in order to complement the traditional B2B regulation by more flexible tools, based on a reputational lever and the reduction of information asymmetries.
- Germany and France should affirm that profit must be taxed where it is generated and to this end, they must support the setting of new rules that define digital tax presence and commit themselves to take action in order to implement these rules, particularly at the European level, but also at the international level, by supporting the evolution of the international tax conventions.
- Elaborate an official paper defining a Franco-German position on digital issues within ongoing trade negotiations (Trade in Services Agreement, Transatlantic Trade and Investment Partnership), which will shape the external dimension of the Digital Single Market. This work would be prepared by several working groups, along with big enterprises, SMEs and civil society on the basis of new studies on the economic impact of the digital chapter of the ongoing trade negotiations. It would deal with the principal issues at stake like the ISDS mechanism and the free data flow, in a way that respects main European principles.

Digital transformation of the European economy

- France and Germany should stand together on the priority domains that are the data economy and the Internet of things (IoT). To this end, we need to initiate a common reflexion in order to obtain synergies between Germany and France and weigh more on the commercial negotiations on open standards, specifically with regard to the IoT and Big data, we need to take full advantage of the vast reserve for growth that is European research by allowing it to completely enter the era of big data with text and data mining, and we need to work towards a common position on data portability, in order to facilitate European's reuse of their data across different applications.
- We need to develop a Franco-German open innovation strategy between businesses by creating an enabling environment and shared platforms for the cooperation of mid-sized companies and large companies with startups, including tax incentive mechanisms.
- The European Union should support financially the development of local and open innovation and production hubs (fablabs, hackerspaces and makerspaces). We should support

as well research programs on new manufacturing, business models, technologies and social impact centered on traditional craft professionals and students to detect the current valorization of digital technologies and expected appropriation.

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