

### Position paper on

## THE COMMISSION'S PROPOSAL FOR THE CREATION OF A EUROPEAN CYBERSECURITY COMPETENCE CENTRE AND NETWORK

# **Background**

Building on the 2017 strategy to set up a wide-ranging set of measures to build strong cybersecurity in the EU, the European Commission launched a proposal for a new regulation to create European and National Competence Centres on cybersecurity.

This initiative should help to create an inter-connected, Europe-wide cybersecurity industrial and research ecosystem, generating a stimulating environment for digital SMEs. The European DIGITAL SME Alliance (DIGITAL SME) expects this to be done building on the existing ecosystem of SME cybersecurity vendors, aiming to create the best conditions for European cyber SME champions to compete on global cybersecurity markets.

The proposal defines the level of interaction of **three main entities** that, together with the European Union Agency for Network and Information Security will set the cybersecurity scene at European level. (i) The European Cybersecurity Competence Centre will facilitate and coordinate the work of (ii.) the European Cybersecurity Competence Network, made of 27 National Coordination Centres, and nurture (iii.) the Cybersecurity Competence Community, i.e. a large, open, and diverse group of actors involved in cybersecurity technology, including research entities, supply/demand-side industries and the public sector.

Furthermore, the proposal aims at placing the Union "in a position to autonomously secure its digital assets and to compete on global cybersecurity market". European digital SMEs play an important role in achieving such objective. Cybersecurity technology is changing rapidly and only the SMEs, due to their agility, can provide the cutting-edge solutions needed to remain competitive.

This is the main reason why the proposed Competence Centres structure must look at industrial and private sector needs, not only governmental ones. If the objective is to increase the European Digital Autonomy by increasing the cybersecurity market demand that is met by companies that are headquartered in the EU, DIGITAL SME believes that facilitating the SME cybersecurity ecosystem is key to compete with global cybersecurity providers.

This position paper provides an overview of measures that, if adopted and well implemented, would contribute to the effective functioning of the new European cybersecurity ecosystem.

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#### Ensure that investments are coordinated at European level to the benefit of SMEs

The European Commission has placed cyber security high on the agenda in its proposals for the next long-term <u>EU budget for the years 2021-2027</u> and the proposed instrument intends to establish a body dedicated to implementing cybersecurity actions under Digital Europe Programme and <u>Horizon Europe Programme</u>. This should allow an efficient management of funds to allow pooling resources at the Member States' level and/or develop European shared assets (e.g. by jointly procuring necessary cybersecurity testing and experimentation infrastructure).

To achieve this objective, **the proposal to invest 2 billion euros under the new Digital Europe Programme** to boost EU's cybersecurity industry and finance state-of-the-art cybersecurity equipment and infrastructure **must first look at European SMEs** and be complementary with the efforts of the <u>Digital Innovation Hubs initiative</u> in supporting SMEs to improve their competitiveness.

The contribution of standardisation to innovation and research project under the Horizon 2020 framework has already proved impactful market results. Thus, it will be necessary to build on such successful integration of standardisation activities in research and innovation projects also in the framework of the Horizon Europe Programme (whose budget remains to be defined) so to ensure that European and international standardisation work will continue contributing to the uptake of breakthrough technologies in the field of cybersecurity.

It goes without saying that coherence in distribution of funds for research, capacity acquisition through tenders and pooling of resources must be achieved, both in terms operations (i.e. interaction between ENISA, ECC and Standards Development Organisation) and timing. With this regard, it has to be noted that the negotiations on this European Commission proposal will end in mid-2019. In the meantime, a call for Horizon 2020 projects related to the implementation of cyber competence centres has been launched and 3 projects have been funded up to 50M€. Despite the short timeframe, it would be highly beneficial to take into considerations the outcomes of these projects in order to fine-tune the organisation and functioning of the European Cybersecurity Competence Centre and European Cybersecurity Competence Network as currently conceived.

Lastly, specific funds should be also allocated for cybersecurity training and awareness. Initiation programmes and retraining courses for SMEs as well as intensification of European awareness raising for citizens and businesses are key to improve security in our society and economy.

### **Ensure representation of SMEs in decision-making bodies**

The proposal specifies that the Governing Board of the Competence Centre is to be composed of the Member States (one representative per Member State) and the Commission (5 representatives of the European Commission on behalf of the EU). The term of office of members of the Governing

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Board is set to four years. The Governing Board should also nominate the members of the Industrial and Scientific Advisory Board, which shall consist of no more than 16 members selected among the representatives of the entities of the Cybersecurity Competence Community (i.e. research entities, supply-side industries, demand side industries, and the public sector).

This solution, *de facto* marginalise the role of the industry to a simple "advisor" while industry should better act a more active role for the success of the initiative. Furthermore, the limited, not even defined, number of seats allocated for industry representatives in the Advisory Board is not enough to ensure industry representativeness in the decision-making bodies that will shape the cybersecurity ecosystem. Then, ensuring representativeness of the industry in the Advisory Board does not automatically imply the representation of the SME's needs. Thus, it is evident that **specific measures to ensure SME representativeness in decision-making bodies are to be taken** to make sure that this initiative will truly focus on the creation of conditions for digital SMEs to compete on the European cybersecurity markets.

### Build on the successful experience of the European Cyber Security Organisation (ECSO)

Some of the tasks that, in the proposal, are assigned to the European Cybersecurity Competence Centre, such as stimulating and supporting the cooperation and coordination of the activities of the cybersecurity community, are currently run by the European Cyber Security Organisation (ECSO). The first European Public-Private Partnership ('cPPP') on cybersecurity achieved significant results in bringing together the efforts made by the research, industry and public sector communities in European Now the proposal looks at the European Cybersecurity Competence Centre to handle this complex task.

In the last years, **the role of ECSO has been decisive**, not only to support research activities in the field of cybersecurity, but also **to connect buyers and vendors of cybersecurity products and solutions, including SMEs, in critical sectors** (e.g. transport, health, energy, financial) for example through the organisation of successful events where SMEs and scaleups met industry leaders for the strategic business matchmakings. Despite the volume of investments triggered by this initiative were significantly lower to those that are under way in other parts of the world, the quality of such work produced tangible benefits for the SME community.

In light of the above, we recommend that **the European Cybersecurity Competence Centre builds on the experience of ECSO,** in the framework of which a successful private-public collaboration increased the level of cyber-security, ensured Europe's capacity in structuring its level of cyber-security and created market opportunities for the growing needs of SMEs.

# Facilitate and accelerate standardisation and certification processes

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The EC proposal makes reference to the need to facilitate and accelerate **standardisation and certification processes**, in particular those related to cybersecurity certification schemes as intended in the previously proposed Cybersecurity Act. Again, as these processes are mostly industry-driven and require the involvement of Standards Development Organisations.

DIGITAL SME advocates a **fruitful collaboration between the European Cyber Competence Centre and European Standardisation Organisations** and, at national level, between the National Competence Centres and the National Standardisaion Organisations so to ensure the uptake of existing standards to whose development the SME community is contributing also through the work of Small Business Standards.

### **About the European DIGITAL SME Alliance**

DIGITAL SME is the largest network ICT small and medium sized enterprises in Europe, representing about 20.000 digital SMEs across the EU. The alliance is the joint effort of 28 national and regional SME associations from EU member states and neighboring countries to put digital SME at the center of the EU agenda.

DIGITAL SME is an association formed in 2007 to express *the voice of ICT SMEs in Europe*. DIGITAL SME aims to ensure that ICT SMEs get *talked to* rather than just *talked about*. It provides a voice for digital SMEs in the policy and business arenas and is already represented in several EU expert groups and taskforces.

The European DIGITAL SME Alliance is a member of **UEAPME** the European Association of SMEs. The European DIGITAL SME Alliance is a founding member and co-financer of **SMALL BUSINESS STANDARDS**, the European Association that is mandated and co-financed by the European Commission in order to represent the interests of SMEs in standardisation according to Regulation 1025/2012. The European DIGITAL SME Alliance is a founding member of **ECSO**, the European Cyber Security Organisation.

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