



EUROPEAN COMMISSION

PRESS RELEASE

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European Commission takes another leap to boost cloud computing

The European Commission has today set up an expert group to work on safe and fair terms for cloud computing contracts, on the basis of an optional instrument. The objective is to identify best practices for addressing the concerns of consumers and small companies, who often seem reluctant to purchase cloud computing services because contracts are unclear. The Expert Group is part of the Commission's push to enhance trust in cloud computing services and unlock their potential for boosting economic productivity in Europe. It is one of the key actions under the Commission's Cloud Computing Strategy, which was adopted last year ([IP/12/1025](#), [MEMO/12/713](#)) and is meant to tackle cloud-related issues that go beyond the Common European Sales Law currently under negotiation ([MEMO/13/792](#)).

"At the European Council last week, EU leaders called for action to help create a single market for cloud computing. The Commission is delivering its bit. Making full use of the opportunities presented by cloud computing could create 2.5 million extra jobs in Europe and add around 1% a year to EU's Gross Domestic Product by 2020," said Vice President Reding, the EU's Justice Commissioner. *"We are asking experts to provide a balanced set of contract terms for consumers and small and medium-sized enterprises to use cloud computing services with more confidence. Trust is bankable – citizens need to be able to trust that the services they use are fair and reliable."*

The expert group on cloud computing includes representatives of cloud service providers, consumers and SMEs, academics and legal professionals (see Annex). The first meeting is scheduled for 19-20 November 2013 and the group is expected to report back in spring 2014. The input will feed into a policy paper launching a broad public consultation on possible ways forward on cloud computing contracts for consumers and SMEs.

Background

On 27 September 2012, the European Commission adopted a strategy for "Unleashing the potential of cloud computing in Europe" ([IP/12/1025](#), [MEMO/12/713](#)). The strategy is designed to increase the use of cloud computing across the economy. The Expert Group is a key part of this strategy and the Commission's efforts to further boost the Digital Single Market. It builds on other legislative initiatives already put forward such as the EU data protection reform ([MEMO/13/923](#)) and the proposed Optional European Sales Law ([MEMO/13/792](#)).

The expert group is tasked with helping the Commission to explore ways to improve the legal framework for cloud computing contracts for consumers and SMEs ([IP/13/590](#)), so as to strengthen consumers' and SMEs' confidence in using cloud computing contracts.

'Cloud computing' refers to the storage of data (such as text files, pictures and video) and software on remote computers, which users access over the internet on the device of their choice. This is faster, cheaper, more flexible and potentially more secure than on-site IT solutions. Many popular services such as Facebook, Spotify and web-based e-mail use cloud computing technologies but the real economic benefits come through widespread use of cloud solutions by businesses and the public sector.

The Commission's **Cloud Computing strategy** comprises three key actions, one of which aims to identify safe and fair contract terms and conditions for cloud computing contracts. Model contract terms can help to facilitate contractual arrangements between cloud computing service providers and consumers and small firms. They can also facilitate the application of EU data protection rules to the extent that they are relevant to cloud computing contracts.

The European **Commission's data protection reform proposals**, which were backed last week by an overwhelming majority in the European Parliament ([MEMO/13/923](#)), will also establish a framework that will help encourage the development of cloud computing services. A swift adoption of the data protection reform would support the development of the digital single market, and help ensure that consumers and SMEs will benefit fully from growth in digital services and in cloud computing.

With the proposal for a **Common European Sales Law**, the Commission has already started to improve the legal framework for cloud computing contracts ([MEMO/13/792](#)). A Common European Sales Law will establish an optional EU-wide sales law, including fair and balanced rules, that consumers and SMEs will be able to use when buying digital products like music or software by downloading them from the cloud. The Expert group will do specific complementary work for those issues that lie beyond the Common European Sales Law to make sure that other contractual questions relevant for cloud computing services can be covered as well, by a similar optional instrument.

More information

European Commission – Contract law:

http://ec.europa.eu/justice/contract/index_en.htm

European Commission - Data Protection:

http://ec.europa.eu/justice/data-protection/index_en.htm

European Commission – Cloud computing:

<https://ec.europa.eu/digital-agenda/en/telecoms-and-internet/cloud-computing>

Homepage of Vice-President Viviane Reding, EU Justice Commissioner:

<http://ec.europa.eu/reding>

Follow the Vice-President on Twitter: [@VivianeRedingEU](#)

Annex: Members of the expert group on safe and fair terms for cloud computing contracts

<http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupID=2922>

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