THE NEXUS BETWEEN DATA AND TRANSPORT

EVENT REPORT

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With the support of
Digitalisation and the use of data is increasing in various sectors, not least in transport. As the coronavirus looks set to accelerate the meeting of the digital and mobility worlds, policy-makers and legislators will have to make sure it is a happy union and not an ugly crash.

The European Union is reviewing how its rules govern data and digital spaces, in order to better achieve initiatives like the Green Deal and its industry policies. In this report, EURACTIV looks at where transport comes into the mix.
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The coronavirus is likely to accelerate transport’s shift towards digitalization and help the sector decrease both its environmental footprint and its costs. But in order for digital solutions to work, trust must first be built, top industry voices have warned.

Digital’s potential to streamline transport, reduce its greenhouse gas emissions and create value across the board is well-established on paper but it is only in recent years that companies have started to embrace it fully.

As an example of data’s potential, in the early weeks of the virus outbreak in Europe, traffic jams at closed borders threatened to cut supply chains and cripple businesses. Freight corridors and a ‘green lanes app’ were quickly rolled out to keep important goods moving.

Novelties like better route-planning, on-demand cross-platform ticketing, and real-time passenger capacity monitoring are all made possible by tapping into data resources. From freight to passenger services, the scope to improve is huge.

At an International Road Transport Union (IRU) event on Tuesday (20 October), European Commissioner for Transport Adina Vălean said the sector is “in the midst of a transformation” and noted a “seismic shift in how Europe moves goods and people”.

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"We realize that sustainability and digitalization will increase the resilience of the sector. We have a powerful weapon: data. Interconnectivity increases efficiencies and decreases costs," Vălean said, adding that a forthcoming transport strategy will feature data usage heavily.

That will tie in with the Commission’s data strategy, which will put forward a data governance framework aiming to set the ground rules for safe value-building data spaces.

Senior EU official Daniel Mes, a member of Green Deal chief Frans Timmermans’ team, said that digitalization has helped Europe manage the ongoing pandemic and that further steps will be needed in order to prepare for future crises.

“Technology is not the issue, it’s something we can overcome. Trust is what we need to work on. Our ambition is clear: safe environments where people can share data to achieve these things, we’re looking for an alternative to our current world, where big tech dominates.”

The issue of trust was a common theme at the IRU event. Industry speakers warned how tough experiences with the GDPR regulation and the burden imposed upon small- and medium-sized companies (SMEs), should inform any new data rules.

“The Commission will have a close look at this,” Mes insisted, explaining that “data unions and data cooperatives” are two solutions that could streamline data sharing.

Claire Martin, executive director of public transport operator Keolis, explained how trust is relatively easy to build in her part of the sector, as data exchange is governed by a “strict contractual framework”.

“Our strategy is not to sell our data or price it. Our strategy is to make the best use of the data we are generating or have access to,” Martin said, adding that digitalization will become even more pertinent due to the pandemic.

The Keolis executive explained how passenger faith in public transport and its capacity to move people safely and hygienically can be shored up by giving them access to real-time data on how many people are on trains, buses, trams, and metros.

Luis Gomez, the head of US multinational XPO logistics’ European operations, explained how using data and sharing it between clients, consumers and drivers is already helping to make freight deliveries more efficient, green, and cheaper.

But he also warned that potential is going untapped: “There is not yet this community pooling that can benefit all of us. The US is more advanced in that regard. I don’t see a sharing of data between companies in Europe, where we can all benefit.”

This is partly because firms are wary of what their competitors might do with their data if it is just handed over without the right checks and balances. Companies like TomTom, a GPS navigation specialist, have thrived by utilizing available data pools.

That is where the EU’s attempts to build a data framework come in. The industry wants the exchange of information to be made easier but for it only to happen on a voluntary rather than a mandatory basis.

“Technological development needs to be promoted but competition preserved. Lack of updated rules in the sector has resulted in fragmentation, insecurity, etc. That has impacted newcomers and their attempts to scale up,” warned MEP Alex Aguis Saliba (S&D Group).

Whether the EU’s efforts will create the much sought after safe spaces and interoperability factors remains to be seen.

For the transport sector, it is clear that better use of data can generate huge financial and even social gains but the right rules and improved awareness among firms will be a prerequisite for those benefits to start moving.
Trust is crucial in unlocking power of data sharing, MEP says

By Sam Morgan | EURACTIV.com

Transport is turning increasingly to digitalisation to cut costs, boost services and reduce emissions. But the potential of data sharing, seen as a major opportunity and challenge in equal measure, needs to be unlocked. MEP Josianne Cutajar explained how the EU aims to do just that.

Josianne Cutajar is a Maltese MEP with the Socialists and Democrats group and was rapporteur for the transport committee’s opinion on the digital services act (DSA).

She spoke to EURACTIV transport editor Sam Morgan.

When it comes to the current raft of data rules, do you think that the SMEs, in particular transport operators, have enough to trust sharing their data? What can EU legislators do, as they consider the next steps, to make sure smaller companies feel the benefits?

I think that with GDPR (general data protection regulation), SMEs aren’t overburdened. These are European standards. There are pressures from certain sectors who would say that it is killing SMEs, killing innovation, killing business. I always believe there needs to be a balance. Right now,
when we speak about the transport sector, we’re faced with a conundrum that we have to recognise. On the one side, GDPR limits the sharing of data. On the other, there is this data sharing strategy. We have to see and find a way for GDPR and data sharing to go together and not clash. Both are essential. We also need to find out how to instil trust, even in our SMEs, when it comes to sharing data. The rules need to be set in such a way that they don’t overburden SMEs with a lot of red tape. Cutting down red tape is something I’m pushing for through the SME strategy. Trust between businesses needs to be built through assurances. For sure, it is important that we recognise that SMEs are different and have different starting points compared to big businesses. Access to data for SMEs needs to be ensured.

Digitalisation has a huge potential to cut emissions, create value and so on. Will this happen regardless of regulation or does it need a push?

Digitalisation is essential when it comes to green transition. Technological advancements as well will help cut down emissions and build a greener future. That brings to mind integrated transport, smart vehicles, multimodal transport, promoting public transport, decreasing the use of personal vehicles, the list goes on. Digitalisation will also help from a cost-benefit and safety perspective, helping businesses identify shortcomings in their logistics and decrease the number of accidents. What is essential here, during this shift, is to make sure no-one is left behind, including our SMEs. Regulation is needed in order to set a clear framework that will establish clearer rules, opportunities and incentives for businesses and citizens alike.

Will coronavirus make digitalisation happen faster?

It will for sure have an accelerative effect but you have to keep in mind that it was bound to happen anyway. Our focus was on data before the pandemic and it is important that it continues to be there. We obviously have to address the issues raised by the pandemic but we cannot forget what was already on the agenda before coronavirus struck. Rather than a catalyst, I would say the pandemic was more like a wakeup call in reality, because when you look at which businesses have been affected by it, those that are technologically savvy have had an edge. Both public and private companies are seeing the benefits of digitalisation and smart working. Going back to this idea of ‘leaving no-one behind’, it’s important not to forget about the importance of up-skilling and re-skilling. We need to have skills in place not only to ensure European competitiveness but to make sure our workers are not left behind.

Europe wants to be a leader on data sharing but places like the US are already more advanced. Is it too late then?

It’s true that we have to step up a lot more in this sector but I think that Europe will be a real leader and I believe in this because, maybe others have moved first, but we have to look at our value added. Effective value added. That is where we can become real leaders in the sector. Smart regulation will set standards and make others follow. Europe is seasoned in protecting businesses and protecting personal data. We might be kicking off from a starting point in its infancy but we’ll manage to get there.

B2B is one of the most challenging issues with regards to data and transport. We know the sector is made up of data generators, who often feel that they will not feel the benefits of sharing that data with data processors. The EU’s task now is to make sure the benefits go both ways.
and that the challenge is translated into an opportunity. We need a data strategy which aims at achieving Win-Win scenarios possibly through incentives. Ideally, there shouldn’t just be rules in place but a culture of trust exists as well, which causes people to realise that sharing data is beneficial to everyone. I agree that better data sharing leads to better competition, better innovation and true collaboration models. For SMEs, we need to push for data cooperatives and data unions to empower small businesses and workers, plus allow them to consult with experts that can help them benefit from data generation. We have to keep in mind that not everyone has the necessary skills yet.

Do you think that data sharing should be voluntary or mandatory?

Ideally, there should be voluntary schemes that incentivise and create digital ecosystems that are needed to achieve all of these benefits. On the other hand, when it comes to imbalances in the market or public interest reasons, there might have to be corrections using mandatory practices, mandatory sharing schemes. For example, this could apply to strategic or essential transport services.

There’s one main element here that is needed though: legal clarity. The EU did a good job with GDPR in protecting its citizens. It must do the same with transport businesses. And the best protection and incentivising of data sharing results from clarifying when, where and how the data can be used. This will help foster a culture of trust. Trust is of course the preferable incentive!

A smart mobility strategy from the Commission is coming out, the DSA, digital governance etc are also in the offing. Will there be enough regulation-wise to generate this trust?

I think that it is important to listen to all sides of the debate, from actors in the sector to consumer concerns. At the end of the day, for the sector’s business model to be successful, consumers have to trust it. When it comes to trust, the use of personal data is also a challenge that we have to address. Inclusive dialogues can help here. We need to have more discussion on how GDPR applies to situations where it is hard to differentiate between personal and non-personal data. The European Commission needs to lay out a sound legal approach to mixed datasets to ensure trust in the market. Education is also crucial. First, for the data strategy to succeed we need to pool together knowledge generated by researchers, universities, engineers. This will create European know-how harmonising data procedures across the EU. Secondly, we need up-skilling and re-skilling programs in transport, especially for SMEs, ensuring a data literate workforce. That’s how Europe becomes a leader.
Data is power. In the world of road transport, where vehicles and companies generate huge amounts of data, who holds this power? With no legal framework to regulate the use of business-to-business (B2B) data at the EU level, the question remains unanswered.

Raluca Marian is General Delegate of the Permanent Delegation to the European Union, the International Road Transport Union (IRU).

As the main generators of data in the sector, transport operators are concerned by the lack of regulation and transparency. Where does the data their vehicles produce go? How is it used and by whom? Can they access their own data? Uncertainty makes transport operators hesitant to share data with other businesses. This growing issue was put on the agenda of EU decision-makers during the IRU EU Conference in October.

Recently, the EU has renewed its commitment to boosting its digital strategy. It has identified digitalisation as one of the main levers to restart the European economy post-COVID-19. But how does it plan to make data sharing a reality for all businesses?

Trust is the cornerstone of data sharing in a successful digital economy. This can only be established through equal opportunities.

IRU has identified three key

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principles to guarantee data fairness. **ADOPT AN EU LEGAL FRAMEWORK FOR THE PROVISION OF BUSINESS-TO-BUSINESS DATA**

The framework should explicitly include the principles for the voluntary sharing of data and reciprocity when it comes to access to data, clearly define the obligations and responsibilities of data aggregators and recognise the rights of data generators. **PROVIDE FINANCIAL INCENTIVES TO OPERATORS**

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**COMPENSATE TRANSPORT OPERATORS FOR SHARING THEIR DATA**

The future framework on data must also ensure that transport operators are able to ask for and receive financial remuneration in exchange for the data provided. Unless the benefits of data sharing are clear to transport operators, they should not be expected to hand over their data for free in a market that is estimated at EUR 1 trillion, or roughly 8% of the combined GDP of the EU-27.

Road transport digitalisation has the potential to bring many benefits to companies, consumers and society. But only if done right.
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