



11TH EU-BRAZIL DIGITAL ECONOMY DIALOGUE



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JOINT STATEMENT

On 26th November 2019, in Brussels, Brazil and European Union held the 11th EU-Brazil Dialogue on Information Society and Digital Economy.

The dialogue was an opportunity to reaffirm the importance of the 12-year Strategic Partnership between the EU and Brazil, to recognise the achievements of the bilateral cooperation on Information and Communication Technologies (ICT) and Digital Transformation and to deepen this fruitful partnership.

The EU and Brazil share a common understanding of the importance of the digital transformation. This disruptive change in the key elements of our economies and societies offers enormous potential to foster economic development, create jobs and advance social inclusion, while addressing major global challenges.

It was also a chance to welcome the successful finalisation of negotiations of the future **EU-MERCOSUR** Association Agreement. This agreement opens a world of opportunities, especially in the new areas of the digital economy, industry and services, including agriculture.

Over the last 12 years, we have built a success story, not least the € 50 million dedicated to supporting 20 **research and innovation projects**, involving more than 200 research organisations from both sides of the Atlantic. These projects demonstrate the value of working together to achieve high quality research results with a significant impact in the digital innovation landscape. The EU welcomes the Brazilian government's offer to support Brazilian participation in the upcoming calls of **Horizon 2020** concerning 5G (and beyond), IoT and AI. The support mechanism is under discussion between MCTIC and the Brazilian Research and Industrial Innovation Company (Embrapii). Both sides stressed their interest in building on the impactful Brazil-EU Joint / Coordinated Calls on ICT, to pursue with the cooperation on research and innovation in digital technologies. This involves MCTIC support to Brazilian participation in the last calls of Horizon 2020 in 5G, IoT and Artificial Intelligence but also for the upcoming Horizon Europe exploring streamlined mechanisms bringing together public funding with private investment on mission-oriented projects.

On digital technologies, the cooperation on **5G and Internet of Things (IoT)** will continue with a view to identify potential common activities in the field as well as additional activities in areas such as digitisation of industry, health 4.0, agriculture 4.0, smart cities, smart mobility, cyber-security, digital government, artificial intelligence and quantum computing.

We identified strong commonalities between the EU action on **digitalisation of industry** and the Brazilian initiatives on IoT & advanced manufacturing with entities such as EMBRAPA and Brazilian industry. There is good potential for a strategic cooperation involving the Brazilian "Câmara Indústria 4.0" and the European Factories of the Future (EFFRA). We agreed actively to promote exchange of experiences on Industry 4.0, including linking Digital Innovation Hubs, a particular source of support for SMEs.

Agriculture is an area of special interest. Data science and artificial intelligence open new ways to make agriculture more efficient, sustainable and environmentally friendly. Digital technologies also provide ways of ensuring traceability of food products. At the same time, solving connectivity issues for agriculture is an opportunity to promote development of rural areas. The EU and Brazil will be working together towards sharing experiences and use cases on these issues, including the best use of wireless networks, in particular 5G.

Marking the breadth and depth of our relations, we agreed on a number of joint activities that will facilitate convergence on policies for the digital world such as the **regulation** of telecommunications / electronic communications, mutual recognition in electronic signatures and of the audio-visual / media sectors. The EU and Brazil have agreed to reinforce this convergence. This would take the form of a workshop, to be organised in course of 2020, to discuss issues such as 5G implementation (standardisation & certification, security, spectrum efficiency & auctioning), global standard-setting and net neutrality.

The EU and Brazil agreed to promote knowledge exchange between both sides on **artificial intelligence**. This includes the technological aspects and the knowledge base / data supporting the AI use cases but also the ethical and legal framework regulating AI. One opportunity to do so would be the Brazilian National Science and Technology Week in October 2020 aiming to address topics such as AI, regulation, R&D and competence centre partnerships.

We agreed to start a dialogue towards a common agenda between EU and the National Institute of Information Technology (ITI), PKI-Brazil Root Certification Authority, in order to address the issue of mutual recognition of qualified **electronic signatures** between Brazil and the EU. Brazil invited the EU to join the next edition of the Annual Forum on Digital Certification. This will be complemented with mutual visits and exchanges aiming at solving technical issues that may be impending mutual recognition of digital signatures. On the broader topic of digital government, we agreed to identify other topics of mutual interest for future discussion.

The selection of topics of our Dialogue recognises the central role played by **Data** as the engine of the digital transformation. We discussed mutual approaches to important issues of personal data protection but also of cross-border data flows. Managing the data generated by IoT and communicated with 5G requires efficient data processing tools and high performance computing and edge computing capabilities. The renewed interest of Brazil in the EU initiative on **High Performance Computing** offers good prospects for the future, building on the existing cooperation between Brazil and individual member states.

All these developments go hand in hand with the ongoing construction of the optical fibre submarine cable connecting directly EU and Brazil, **BELLA**, with both parties reaffirming their commitment to the calendar of execution and the financial contributions required to complete this fundamental infrastructure by the end of 2020. The increased data capacity provided by the transatlantic cable linking Europe to Brazil, and from Brazil to the rest of

Latin America (BELLA), will be an important enabler for the transformation into data economies.

The approval of the Brazilian LGPD, based on principles shared by the EU **GDPR**, has significantly increased the convergence between the two systems of protection of personal data. The EU and Brazil will be pursuing their cooperation on the implementation of their data protection laws and the facilitation of data flows. One aspect will be sharing the EU experience on the setting up of a modern data protection governance system and use cases in the various areas of application. The EU welcomed the ongoing work on the establishment of the national data protection authority (ANPD).

During the dialogue, we discussed the opportunities for further convergence of common **standards** by EU and Brazil in a number of relevant areas of the digital single market. The EU is willing to share with Brazil its experience in this area.

Looking ahead, we will continue to advocate at international level for a free, open and secure internet and to share best practices in developing open source digital solutions. We will work in a coordinated manner in international **multilateral instances** such as the IGF, ITU, G20 and OECD where Brazil and the EU have similar views, and where we will in future develop coordination upstream.

Brazil and the EU share similar experiences and show convergence on several points regarding the policies and regulatory approaches to the digital world. We therefore agreed that future dialogues would work towards increasing engagement in the preparatory work of **industry representative organisations and civil society** to make them more inclusive and meaningful.

We agreed to formalise these commitments, including on timing, in order to agree a joint **action plan for our activities** before prior to the 12th EU-Brazil Dialogue on Information Society and Digital Economy in 2020, to be held in Brasilia.

KHALIL ROUHANA

Deputy Director-General in the Directorate-General of Communications Networks, Content and Technology (DG CONNECT) of the European Commission

Paulo ALVIM

State Secretary of Entrepreneurship and Innovation of the Ministry of Science, Technology, Innovation and Communications (MCTIC) of the Federative Republic of Brazil

Vítor MENEZES

State Secretary of Telecommunications of the Ministry of Science, Technology, Innovation and Communications (MCTIC) of the Federative Republic of Brazil