NEELIE KROES

VICE-PRESIDENT OF THE EUROPEAN COMMISSION

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Thank you for your email of 4th April.

Cloud computing offers a massive boost for the European economy, with benefits for businesses, citizens and public administrations. As set out in the European Cloud Computing Strategy (COM(2012), 529), cloud computing is potentially worth hundreds of billions of euros to the European economy and hundreds of thousands of jobs.

Recent revelations on government intelligence surveillance have indeed put an extra focus on security and privacy as regards cloud computing services. In that respect, the Commission duly took note of the relevant Resolutions of the European Parliament and, similarly, of the Conclusions of the October 2013 European Council, where EU leaders agreed Europe needs a single market for cloud computing, with high standards for secure, high-quality and reliable cloud computing services (EUCO 169/3).

It is amongst others on this basis that that the Commission supports, on a competitive basis, research projects that address security and privacy issues in Cloud Computing. The "Confidential and Compliant Clouds" (Coco Cloud) project is one of many projects the Commission funds to tackle the cybersecurity and privacy challenges of today and tomorrow. It is funded under the European Union's Seventh Framework Programme (FP7/2007-2013) under grant agreement $n^{\circ}610853$.

The CoCo Cloud project consortium has nine partners from 4 different EU Member States and Norway with Hewlett Packard Italiana SRL as its coordinator, which is an EU-based company, fulfilling all the necessary prerequisites to participate in FP7 projects. As such all these companies are subject to EU law and particularly EU data protection legislation (Directive 95/46/EC and 2002/58/EC).

Considering that Coco Cloud is a FP7 research project, no rule or regulatory power is given to it. It is explicitly not the objective of the Coco Cloud project to assign the management of any specific cloud computing services to any one company.

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One of the project's main objectives is to allow cloud users to securely and privately share their data in the cloud, increasing the trust of users by providing data protection friendly cloud solutions which comply with the requirements of EU data protection legislation. The project intends to achieve this goal, among others, by means of a framework of data sharing agreements between the various parties involved, reflecting legal, contractual or user-defined preferences.

The project thus aims at creating an efficient and flexible framework for secure data management from the client to the cloud, and vice-versa. One essential aspect of the project is to address key challenges for legally compliant data sharing in the cloud by taking a "compliance by design" approach, thus placing an early emphasis on understanding and incorporating legal and regulatory requirements into the data sharing agreements. Data protection requirements will have to be given strong emphasis throughout the project.

In its research, the Coco Cloud project will conduct pilots to validate its research concepts. For these pilots the project will be using synthetic fictional or fabricated data, which does not relate to real existing data subjects. Hence, there is no processing of personal data and third country authority access to personal data in the context of the Coco Cloud project is thus not an issue. In addition, the data processing activities of the project will occur only among project partners in the European Union. Only servers located in the EU will be used. The distributed development environment of Coco Cloud is located in Italy, Spain, France, UK and the integration environment of the Coco Cloud test bed is hosted by CNR in Italy. The Coco Cloud Pilots will run on servers located respectively in Italy (project partner Agid), Spain (partner GHQ) and Italy (partner CNR) and France (partner SAP).

Finally, in overseeing the implementation of the project, the Commission will carefully verify that privacy elements have been taken duly into account by the Consortium. If necessary, the Commission may have recourse to the EDPS advice in evaluating specific elements of the project.

I trust you will find this information helpful.

Yours sincerely.

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