



TOP 5 European Technology Aspects

As part of a blog series helping American companies enter the European market more effectively, recently we shared the Top 5 Mistakes to Avoid. Now, we are continuing with a more in-depth STEER analysis of Europe. In this blog: the Top 5 European Technology Aspects to consider.

1. Data protection, cybersecurity and payment services

The EU enforces strict data protection and cyber security regulations which also impact the processing requirements and liabilities for American companies.

[GDPR](#), The General Data Protection Regulation, is an EU-regulation that has been enforced since [May 2018](#). It covers the protection of personal data for European citizens, regardless of the origin of the company that generates the business. It includes procedures and protocol for data collection and storage, opt-in authorization for collection and use of data, the “right to be forgotten”, reporting regulation in case of leaks (within 72 hours), the appointment of a Data Protection Officer (DPO) and applicable fines in case of breach, up to €20 million or 4% of total global turnover. Every company must prove to comply with GDPR. However, there is a short list of countries ([13](#)) that satisfy by default with the EU privacy requirements today. Companies from those countries do not have that burden of proof. The United States, where 67% of all cloud services are headquartered, is limited compliant through the [Privacy Shield Framework](#).

[NISD](#), The Network and Information Security Directive, is less eye-catching but the first (December 2015) European legislation on cybersecurity. It aims to make the online environment more trustworthy and, thus, support the smooth functioning of the EU Digital Single Market. Its provisions include required cybersecurity capabilities and measures of member States, improved cooperation between those States and reporting to the national authorities. It too threatens hefty penalties for breach.

PSD, The Payment Services Directive, aims to increase pan-European competition and participation in the payment industry. A revised directive [PSD2](#), coming into full effect on September 14th 2019, targets the harmonization of consumer protection and the rights and obligations for payment providers and users. PSD2 promotes the development and use of innovative online and mobile payments such as through open banking. The most tangible requirement is the [SCA](#), Strong Customer Authentication (multi-factor).

2. Power standards

The standard for AC [power plugs](#) are the ungrounded [Europlug](#) CEE 7/16, the grounded CEE 7/5 (France, Belgium, Poland, Slovakia, the Czech Republic, Tunisia and Morocco) and the “Schuko Plug” CEE 7/4 (Germany, Austria, the Netherlands, Sweden, Norway, Finland, Portugal, Spain and Eastern Europe). It is important to note that the EU standard is not compatible with the BS 1363 13 A sockets in the UK and Ireland, and tri-pin in Italy. Most European countries have officially harmonized their voltages at 230V (-10% + 6%) at 50Hz, which allows 220 to 240V to be used.

3. Certifications

[CE](#) (Conforme Européenne) is not a quality mark, but represents that the product meets all European Directives. It is the manufacturer’s sole responsibility to assess its product before being placed on the

market and that it meets EU safety, health and environmental protection requirements and then can be sold throughout the European Economic Area (EEA28) and the European Free Trade Organization (EFTA)

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4. IT trends

Digital Transformation is a key European directive focusing on Business Processes, Customer Experience, Workforce Productivity and Mobile Customer interactions. As the European market is lagging the U.S., these trends provide opportunities to position your solutions most successfully.

According to CIO.net.com [key IT management](#) trends include IT & Business Alignment, Business Agility and Business productivity and Controls.

- [IT & business alignment](#) ranks as a top management concern, often related to ROI.
- [Business agility](#) is essential for business survival in an uncertain and volatile economy. It is especially important to reduce business expenses and generate revenues. Together with productivity and cost reduction it is the foundation of long-term competitiveness.
- [Business productivity and controls](#) have gained momentum since the crisis of 2008.

5. Innovation

Since the crisis of 2008, the European Union is creating the conditions for a more competitive economy through higher employment, innovation, education, poverty reduction and climate/energy.

The Europe 2020 strategy is about delivering growth that is:

- [smart](#), through more effective investments in education, research and innovation;
- [sustainable](#), thanks to a decisive move towards a low-carbon economy; and
- [inclusive](#), with a strong emphasis on job creation and poverty reduction.

The Innovation Union and the Digital Agenda are two “flagship programs” on the Europe 2020 plan.

- The [Innovation Union](#) contains over thirty action points including ground-breaking initiatives like the [European Innovation Partnerships](#) and introduces the strategic use of public procurement budgets to finance innovation, a comprehensive Innovation Scoreboard based on 25 indicators and a European knowledge market for patents and licensing.
- The [Digital Agenda](#) is the EU's strategy to help digital technologies, including the internet, to deliver sustainable economic growth. The top programs include focus on 5G, Big Data, Public-Private investments and roaming caps on mobile data.

CONCLUSION

Europe provides the right innovation and R&D subsidies to attract foreign investments but upholds strict technology regulations for the protection for its citizens. A clear understanding could help avoid the pitfalls, as well as open competitive opportunities for U.S. companies to penetrate the European market successfully.

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