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PRESENTED BY CCIA Europe

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SNEAK PEEK

- Five **EU member countries** launch a major **tech scale-up financing program** today.
- The **Swedes** kick off their effort to **untangle the gig work knot**.
- **Apple executives** are in town this week to push back against claims it is **fending off its contactless payment tech**.

GOOD MORNING and welcome to Morning Tech. This is Pieter, today visiting the Dutch city of Eindhoven today to talk chips. Hit me up if you have something to say about chips, or about the delicious Dutch delicacy called *stroopwafels*. Send gossip and tips to: [Pieter](#), [Gian](#), [Mathieu](#), [Clothilde](#), [Antoaneta](#), [Louis](#), [Laura](#) and [Mark](#).

DRIVING THE DAY

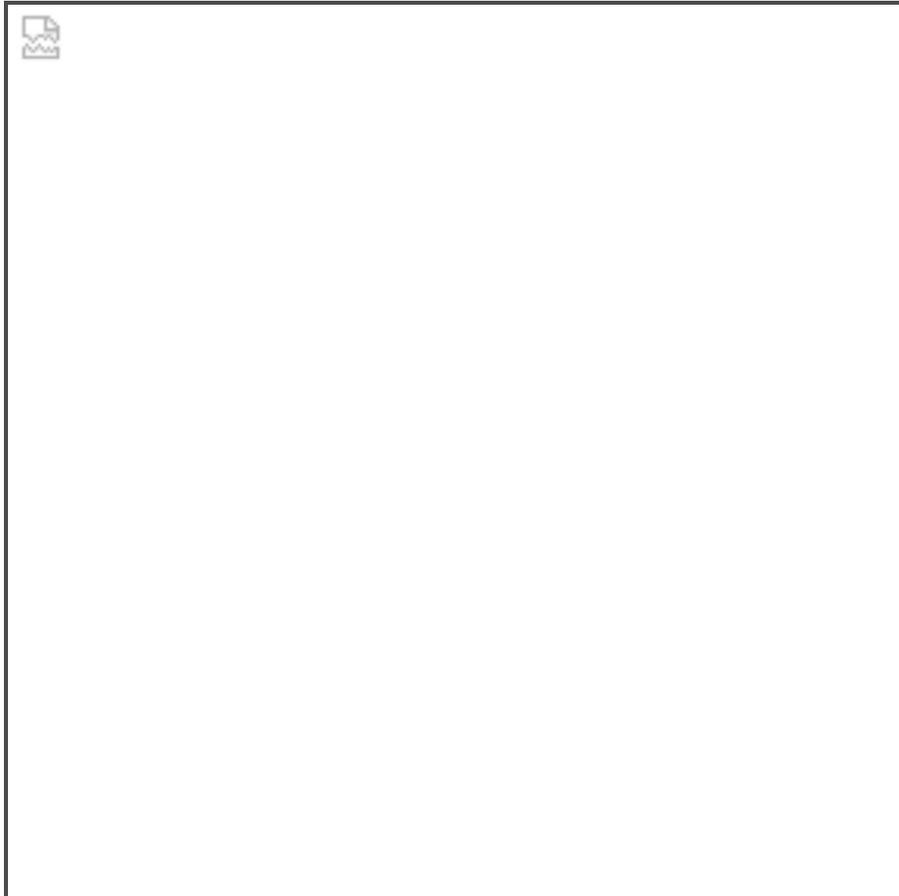
EU COUNTRIES KICK OFF TECH-FUNDING PROGRAM: During a tough time for nascent tech companies to raise money, some of EU's biggest member countries and the European Investment Bank (EIB) [today](#) launch a program that should provide tech companies funding, especially at a later stage.

Recap: We all remember how the French Council presidency in the first half of 2022 went big on boosting Europe's tech companies, with [one plan](#) promising to set up a “fund of fund,” to which both France and Germany committed €1 billion. Later on, the so-called European Tech Champions Initiative (ETCI) could even get to €10 billion to €20 billion, with 10-20 funds all ready to spend €1 billion, it was envisioned.

Spotted: A year is a long time in politics, but the Franco-German commitment is not forgotten. On the sidelines of the Eurogroup, five EU member countries and the European Investment Bank (EIB) will officially sign off on the launch of the fund, which “will channel much-needed late-stage growth capital to promising European innovators.” Economy Commissioner Paolo Gentiloni is scheduled to attend the “signature ceremony.”

Who's pitching in what? Just ahead of the launch, some of the countries involved have given more details about the amount they will pledge. The Spanish Council of Ministers approved its [contribution](#) last Tuesday, for an amount of [€400 million](#), according to Spanish media. The money that will be pledged comes from the Fond-ICO Next Tech fund, which is set up partly by Spain's recovery and resilience plan.

Who will manage this? EU countries are not running this fund themselves. The EIB will, and in its [annual report](#) two weeks ago it gave a sneak peek of its role: “Initially, the EIB group will commit up to €500 million into a fiduciary structure, complemented by Member States' contributions for a total estimated amount of €2.5 — 3.5 billion. The EIF [European Investment Fund] will manage the initiative.”



AGENDA

PARLIAMENT: It's the European Parliament plenary week, and lawmakers and their assistants will have loads to talk about, after another round of arrests and raids in the ongoing corruption probe over the weekend. Catch up here on the latest about MEPs [Andrea Cozzolino](#) and [Marc Tarabella](#), from your MT host Pieter and Camille Gijs.

COMMISSION: Executive Vice President Valdis Dombrovskis has a chat with Spain's Deputy Prime Minister and Economy and Digital Transformation Minister Nadia Calviño. Economy Minister Paolo Gentiloni is attending the launch of a major tech-funding program (more about that at the top of this newsletter).

NOTE: An error made its way into Morning Tech's calendar on February 9. The European Data Protection Board is meeting for its [plenary](#) on February 14 and 15.

****A message from CCIA Europe:** *EU telcos want to charge the same internet traffic twice.* Consumers already pay them for internet access, but telcos now also want money whenever tech firms respond to consumers' requests for data. #NetworkFees will make streaming and cloud services more expensive. [Find out more.](#)**

PLATFORM WORK

EU COUNTRIES TRY TO UNTANGLE GIG WORK KNOT: The Swedish Council presidency will today dive into one of Brussels's most divisive files: the [EU's Platform Work Directive](#) — with delegates mulling the replies on a questionnaire sent out by the Swedes. We've got you covered on what was asked:

No time to waste: In the questionnaire, dated February 1 and seen by Morning Tech, the Swedes are of the opinion that there's an agreement on all chapters except for chapter 2, which includes the contentious Article 4 — the list of criteria to determine whether a gig worker should be presumed to be an employee. The Swedes start off from the Czechs' last proposal: with a threshold of three out of seven criteria, instead of two out of five (like under the Commission proposal).

The first question hits home: “Do you consider that the criteria are now designed in a way that the right people, i.e. mostly the bogus self-employed, will be covered by the legal presumption?” If the answer is no, delegates should provide concrete examples of bogus self-employed not covered, and suggest how to tweak the criteria and the threshold.

Reminder: For the Swedes, having to bring all the countries on the same page is a nightmare, given that they themselves were

the only country that objected to the EU plans. In the questionnaire, the Swedes said they committed “to continue looking for avenues of compromise and agreement with a view to reaching a general approach.” That doesn’t sound too ambitious.

Meanwhile in Germany: In December, when EU countries [voted down](#) the final Czech proposal during a meeting of employment ministers in December, Germany abstained. It’s an open question as to whether the country, which carries a lot of voting power, is ready to pick sides now.

No dice: Asked for a comment by Morning Tech, a spokesperson of the German labor ministry said talks were “continuing” and the ministry was “working towards Germany being able to re-engage in the negotiations under the Swedish Presidency.”

DIGITAL COMPETITION

APPLE BOSSES IN TOWN FOR PAY HEARING: Apple will fly over its top competition executives to Brussels this week to try and convince EU antitrust regulators that it isn’t unfairly restricting access to its contactless payments technology.

Nine months on: Tuesday morning’s hearing will gather Apple, EU competition officials and complainants in the [case](#) at the European Commission’s Centre Albert Borschette to respond to a statement of objections sent in [May last year](#) over potential restrictions to the near-field communications (NFC) chip used for contactless transactions.

The security line: Apple has long said any curbs aim at ensuring the highest level of security in payments. Competition

Commissioner Margrethe Vestager rebutted this last year, saying “evidence on our file indicates that Apple’s conduct cannot be justified by security concerns.” The EU probe “did not reveal any evidence that would point to such a higher security risk,” she said.

DIGITAL IDENTITY

ARF, says the doc: The Commission has released its new [Architecture and Reference framework](#) (ARF) for the EU’s planned digital identity scheme, or eIDas. It is a toolbox of specs and requirements for developers creating the “wallet” app EU citizens will use to prove their identity and access services across the bloc. Four pilot projects (co-funded by the Commission) for wallets are underway, even if the regulation underpinning the scheme is still being discussed by the co-legislators—Parliament’s industry committee approved its report on the text on Thursday.

What it’s for: As per ARF’s list of objectives, the wallet will have to be used as an ID to access online public services; a digital driver’s license; a way to obtain e-health services; proof of professional and educational credentials; an identifier for digital finance and payments; and a travel document.

Backlash ensues: Digital rights group Epicenter.works has swiftly [published an excoriating analysis](#). The group thinks ARF ignores privacy-enhancing changes Parliament and Council added to the eIDas text, and that its specs are incompatible with the co-legislators’ decisions.

“It appears to be at least inefficient, if not undemocratic, to establish a technical architecture on a law that is still under

negotiation,” the group’s analysis reads. Among ARF’s worst elements, according to Epicenter.works: the presence of a so-called unique persistent identifier; member countries’ power to suspend citizens’ wallets; and the backtracking on the guiding principles of “un-traceability” and “unlinkability,” which were present in a previous ARF version.

AGE VERIFICATION

LEAD MEP REMOVES DRAFT AGE-VERIFICATION REQUIREMENT FOR APPS: A lead European lawmaker has proposed significant changes to the Commission’s [proposal](#) to fight child sexual abuse material online, according to [amendments](#) obtained by Clothilde.

According to the draft law proposed by the EU executive, app stores could have to verify the age of users to “reliably” identify children and prevent them from accessing apps that they have identified could put kids at “significant risk” of being messaged by potential offenders, so-called grooming.

But, in his draft opinions as the lead MEP in the internal market committee on the proposal, Alex Agius Saliba has proposed to delete entirely the amendment, which has been decried by privacy activists and tech companies as overly invasive. Agius Saliba also pitched allowing detection orders for known child sexual abuse material, which can be more easily tracked through so-called hashes, fingerprints for photos and videos.

Does his view matter? According to an internal briefing seen by Morning Tech, the internal market committee is set to share competence with the lead civil liberties committee on most of the regulation. The deal still has to be approved by the

Conference of Presidents of the European Parliament.

MOVERS AND SHAKERS

ARIA, BUT NOT THE VEGAS ONE: The U.K.'s research agency ARIA — a legacy of moonshot-loving Dominic Cummings' reign — is looking for a program director. Eggheads apply [here](#); non-eggheads should still read the application form's glorious questions. ("How would you describe the depth of your expertise to someone outside of your area?")

BEFORE YOU GO

IRISH CAMS: The Irish Council for Civil Liberties, whose gadflying on facial recognition caused MEPs to [send a probing letter to President Roberta Metsola](#), is now [calling on Ireland](#) to remove China-made Hikvision surveillance cameras from all its government buildings.

Morning Tech wouldn't happen without Aoife White, Laurens Cerulus, Kelsey Hayes and Zoya Sheftalovich.

****A message from CCIA Europe:** European telecom operators want to get paid twice for the same internet traffic. First by consumers, who already pay them for internet access. And now also by making online services more expensive with [#NetworkFees](#). This would affect us all: driving up the *price of your streaming subscription and making cloud services more expensive* for Europeans, including SMEs. Is it really a "fair contribution" when all that telcos want is to charge at both ends of the internet cable? [Learn why.](#)**