



**II European
Latvian
Economic Forum**
September 7-8 | 2018

**INDUSTRIAL
rEVOLUTION 4.0:**
Digital Economics,
Data Protection
& Compliance Best-Practice



Finanšu ministrija

RESOLUTION OF THE II EUROPEAN LATVIAN ECONOMIC FORUM

The main topic of the II Economic Forum is "INDUSTRIAL REVOLUTION 4.0: Digital Economics, Data Protection & Compliance Best-Practice", which took place on September 7-8, 2018, - "The world will not be the same again, it will be better!" the reasons:

1. **The digital economy means not only an increase in the efficiency and productivity of business, but it is also aimed at improving the quality of life and potential of every person**, since digitalization through "smart solutions" contributes to the improvement of many industries important for everyone: for example, public administration, healthcare, education by freeing people from dangerous and boring work for intellectual and creative work;
2. **The transition to the processing of a large amount of data, the era of information and new forms of communication is a big challenge for the development of personality**, as it makes each of us change faster than before;
3. **In the single information space in which we live, there is more and more interaction and unity of science, entrepreneurship, education and consumption**, which is driving development faster. The development of a data-driven digital economy is a huge challenge for education, science and industry.

The organization and results of the Economic Forum are a contribution to challenging **Europe to take a leading position in the development of the digital economy and the implementation of "smart solutions" in the national economy**, and also corresponds to the statements of the author of the concept of the fourth industrial revolution, Klaus Schwab, about the importance of progressive technologies - artificial intelligence, robots, a quantum computer, "Internet of things", nanotechnology - in changing the modern economic system, society, lifestyle.

The goal of the Economic Forum - **to exchange best practices and to mark the movement of Latvia as an EU member state towards increasing competitiveness in the digital economy** - has been achieved.

The opinions expressed by the Forum participants from more than 10 countries formed the basis for conclusions and proposals for **a technological breakthrough both in Latvia and in Europe**:

1. For the economic breakthrough of Latvia, it is important to **invest in the development of the main necessary resources - people rich in ideas and creative people, including scientists**. Increased financial support for science would contribute to the international competitiveness of Latvian scientists, their contribution to the development of small and medium-sized enterprises and start-ups, as well as to the economy in general;

2. **Promotion of international cooperation and support in the field of research and innovation**, stimulating joint cooperation of intellectual minds in Europe, exchange of ideas and practical cooperation in science. Not only European, but also national programs are needed for the development of applied research and cooperation projects between academic structures, manufacturing enterprises, service providers and universities;
3. **It is important to support the creation of a single digital marketplace**, streamline legislation to remove barriers to online transactions, create simplified and uniform standards, and unify many of the rules that relate to the digital marketplace, e-commerce and telecommunications. A single digital market for Europe will create a pillar for the development and competitiveness of technologies, at the same time a dynamic and safe ecosystem for the use of new technologies, allowing you to cross Europe in one click and create new technological products, for example, financial products;
4. **Organized European and national legislation** that motivates and promotes research and technology development;
5. **Creation of infrastructure for data security and cybersecurity** is a guarantor of safe and free international cooperation, therefore it is important to invest in the infrastructure of a world-class data economy;
6. Since the digital economy and data protection exist side-by-side, and data ¹ is the main source material and one of the greatest values of the 4th industrial revolution², on whose basis innovative products are created in different areas, **it is important to find a balance between data protection and innovation**. In the processing of data and the development of the digital economy, it is necessary to introduce a General Data Protection Regulation, including it in the general form of technology of values, promoting digital privacy, mutual respect, respect for human rights and fair sharing of digital dividends;
7. Encourage the EU initiative to **eliminate barriers to data flows across the border, ensuring the free movement of non-personalized data also across the borders of the EU countries**, thus the internal European market, along with the movement of people, free circulation of goods, services, money, is replenished with data traffic;
8. Deserves support for **the development of Latvian scientists on the development of software for the compatibility of unmanned vehicles**, which have great commercial potential;
9. In Latvia, as in the rest of Europe, in order to reduce costs and stimulate the economy, it is important to continue research in the field of artificial intelligence and their commercialization, which is the cornerstone of the new digital economy and the competitiveness of Europe³;
10. **Development of compatibility and the use of 5G** is one of the priorities of the European Parliament and Latvia, which means not only speed and coverage. But also a list of functions that will be provided to sensors and other devices in the digital environment;

¹ Of all the world's data, 90% have been created in the last two years.

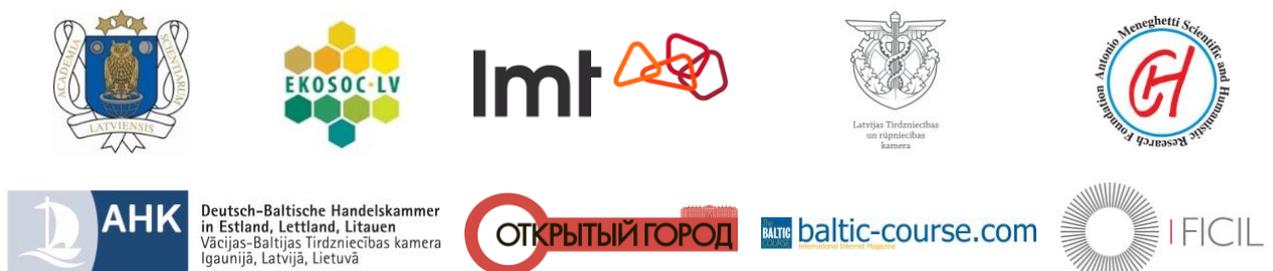
² The economic value of European data by 2020 could reach 700 billion euros, or 4% of the entire EU economy.

³ China and the United States together account for 86% of global investment in artificial intelligence, while the EU only 14%.

11. To increase the competitiveness of Europe, including Latvia, in the field of the digital economy, it is necessary to have **competitive education**, including the provision of budget places for training programs in Information Technology, to promote the teaching of digital skills and programming at a good level;
12. In Latvia, significantly support research on the implementation of digitalization processes in agriculture and forestry and **use information and communication technologies in the so-called traditional areas** - agriculture, food production, forestry and fisheries, etc., for example, tracking using drones and satellites, the use of sensor technologies in animal husbandry;
13. Индустрию 4.0 развитие необратимо влияет на рабочий рынок и указывает на **необходимость подготовить рабочую силу и содержание образования нового типа**, подготовив новое поколение к способности конкурировать не только между собой, но и с роботами⁴;
14. **Contribution to the development of human creative potential is a contribution to the development of humanity**, since human creativity, which is a natural part of the human essence, is irreplaceable by artificial intelligence. The individuality of enterprises and the benefits of their differences can ensure the creativity of people, which will be helped to develop an interdisciplinary approach to education and an emphasis on human values;
15. It is important to raise the level of digital education of the society, involving the society in the transfer of knowledge, developing its understanding of the meaning of digitalization and using technology also for social purposes, for example, helping residents to socialize;
16. Latvia should continue to **maintain its leadership position in the creation of communication infrastructure**, which significantly affects the state budget ⁵.

Thus, digitalization is becoming a tool used in all areas of the national economy, which will bring Latvia closer to its goal of becoming a country of smart technologies.

On this path, Latvia needs to continue to support initiatives and activities that contribute to the technological development of Europe and the world in general, and encourages cooperation between scientists, entrepreneurs and politicians in order to contribute in the long term to the transformation, productivity of the Latvian economy, increase long-term investment and export earnings. , as well as achieve the growth ability of Latvia to enter the 10 most developed countries in Europe!



⁴ According to experts, about a third of the current professions in 20 years or even less will not be needed, but new professions will appear.

⁵ Revenues from the ICT industry to the Latvian state budget in the form of various taxes increased from 289 million euros in 2015 to 356 million euros in 2017, and the export of the ICT industry is experiencing rapid growth.

