APELL CONFERENCE 2023

Helsinki, Finland

Conference report
v1.0 (17.8.2023)

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1. INTRODUCTION

The European Open Source Industry has grown 20-fold since the early 2000s. Meeting such an increasing demand, however, comes with challenges. The important augmentation of digital legislation at the national and European Union level has given Open Source businesses a chance to shape the future of their industry. The setting up of a new digital framework and significant funding towards innovation cannot be done without European Open Source actors, who are essential to the European digital ecosystem.

That's why on **21st of June 2023**, APELL held its second annual conference and brought together again the European open source business leaders to discuss these matters. The ideas conference was held this year in **Maria 01, the Nordics' Leading Startup Campus, in Helsinki**, and the event was **co-organized by COSS association**.

2. ABOUT APELL

Founded in 2020, APELL is Europe's Open Source Business Association. With the objectives of empowering its Association's member organisations, engaging with the EU institutions to raise awareness, represent and advocate for Open Source businesses, APELL has managed to gather an important community. Representing Business associations from Finland, France, Germany, Sweden, Portugal, the UK, the Netherlands and Italy, APELL's structure makes it the perfect platform for shaping the future of Open Source Business in Europe.

"APELL's mission is to bring national Open Source Software organizations together into a European network and to provide them with peer support, collective marketing, and policy support for public affairs, in order to increase opportunities for the members of the Association's member organizations, and to increase value and advancement for the ultimate customers in both the public and the private sectors."

APELL's President's message

"The Open Source Industry in Europe has come a long way since the early 2000s, growing 20-fold in a span of two decades. The journey has been arduous, but today,

we are at a momentous juncture. With increasing digital legislation at both the national and EU level, we are presented with the unprecedented opportunity to participate in the architectural design of the European digital ecosystem.

During the conference, the Working Groups took on critical issues ranging from the funding of Open Source Software (OSS) policy work, to implications of forthcoming regulations, to preparations for the EU Elections 2024. The output of these discussions will be invaluable as we engage with policy makers, institutional leaders, and market players.

APELL was conceived with the purpose of amplifying the voice of the Open Source community in Europe. Together, representing multiple countries and diverse business contexts, we are a formidable force. Our work has just begun. We are crafting policies, advocating for our member organizations, and working tirelessly to influence the trajectory of technological development in a way that is open, fair, and beneficial to all.

I would like to extend my deepest gratitude to all who participated and made this event a success. As we review our key takeaways and strategize the next steps, let us keep in mind that the future of Open Source in Europe is not just in the hands of a few, but in the collective strength of our community.

Onward and upward, as we continue to shape the future of European Open Source Business.”

-Timo Väliharju, President, APELL / Executive Director, COSS

3. CONFERENCE STRUCTURE

The main theme for the second annual conference was "*The Future of Open Source Business in Europe*". Altogether the conference gathered this year 30 participants from multiple different European Open Source organizations across Europe. Most of them were CEOs or founders of European open source businesses, active in their respective national ecosystems, with the addition of several other experts.

The conference started off with an interesting keynote presentation by **Heikki Nousiainen** (Field CTO & Co-founder) from **Aiven**, a managed cloud services provider for open source data management technologies.

The conference day then continued with three different working groups in which the participants attended in turns to allow for the maximum diversity of perspective.

Working Group 1: How to fund OSS policy work in Europe?
The stakes for open source software as an innovation model are high, but reality is that the policy work around open source is critically underfunded. The funding coming in, and it is increasing, is almost exclusively from large software vendors with mixed open source credentials. How can we make sure that APELL members are effectively represented in the policy discussions in Europe at the early stages?

Working Group 2: Software will be regulated: what are the implications and priorities for Europe's OSS industry?
Software is going to be regulated in the future. What kind of impact will software regulations have on the OSS industry in Europe? How it might potentially be beneficial for the industry? What kind of challenges the industry might face for example regarding intellectual property rights and open source licensing? We need to ensure that the regulations can be balanced with the need for innovation and the promotion of the OSS industry in Europe. We must also identify strategies for complying with the software regulation and adapt to changing regulatory environments.

Working Group 3: EU Elections 2024: what should we do?
The next elections to the European Parliament will be held and a new commission formed in 2024. How could APELL make an early input? What kind of topics such as awareness and adoption, OSS advantages, digital autonomy and citizenship participation should we try to push forward in the debate?

Taking inspiration from the collaborative experience of Open Source, the attendees brought out of these discussions some new perspectives that could have not been developed without this diversity of standpoint and mode of organization. Sharing their difficulties and success, it was a great experience for the community to come together and progress as one. After those fruitful exchanges, each group's rapporteurs gathered reflection's outputs and presented them to all the attendees in the final panel discussion.

4. CONFERENCE TAKEAWAYS

WG 1: How to fund Open Source Software (OSS) policy work in Europe?

Session Chairs:
Timo Väliharju, COSS (Chair)
Martin von Willebrand, **HH Partners, Attorneys-at-law** (Co-Chair)

The overarching concern for Working Group 1 was to discern how to fund Open Source Software (OSS) policy work in Europe. Discussions were largely divided into two primary themes: understanding the historical barriers to funding OSS policy work and exploring ways to strengthen the funding ecosystem for future OSS policy endeavors.

Key Themes and Discussion Points

The group found that the OSS industry has faced unique and historical challenges when it comes to funding its policy work. The difficulties can be traced back to a series of interconnected problems:

- **Business Model Challenges:** With revenue streams not being closely tied to the software itself, finding funds becomes difficult.
- **Complex Messaging:** The complexity of OSS often results in convoluted messages, which can impede understanding and funding opportunities.
- **Mixed Messages:** OSS policy messages often get mixed with open source and company sales messages, confusing the narrative.
- **Misunderstandings:** Prevailing misconceptions about the OSS model can make policy lobbying more difficult.
- **Fragmented Ecosystem:** The industry is made up of diverse players, resulting in a fragmented message and disjointed lobbying efforts.
- **Communication Gaps:** There's a lack of effective communication, and identifying the right persons to communicate with is a challenge.
- **Competition:** OSS companies often find themselves in competition with their customers, creating an unusual dynamic that complicates lobbying and funding efforts.

- **Decentralized Nature:** The decentralized structure of OSS makes it harder to consolidate efforts and funds.
- **Differences from the US:** The business ecosystem in Europe, compared to the US, creates difficulties in lobbying for open source.
- **Complacency:** A perception that open source has already prevailed can dampen the urgency of funding policy work.
- **Lack of Organization:** Open source communities often lack the level of organization necessary for effective policy lobbying.
- **Lack of Focus:** Existing foundations may not be oriented towards EU policy work.
- **Position in the Stack:** European companies, often lower in the tech stack, may be less inclined to drive open source compared to their US counterparts higher in the stack.
- **Less Urgency:** A lower perceived urgency or importance of the issue.
- **Limited Resources:** Many potential lobbyists are too occupied with other responsibilities, indicating a need for dedicated personnel.
- **Size of Companies:** The small size of many OSS companies can limit their capacity to fund policy work.
- **Unclear Goals:** Defining joint lobbying goals can be challenging, complicating the coordination of efforts.
- **Strategic Decisions:** Companies must decide where to focus their lobbying efforts—on a local level within Europe, or globally (EU/US/China).

Current Funding Sources

Currently, funding for OSS policy work in Europe comes from various organizations such as APELL, CNLL (France), OSB Alliance (Germany), COSS (Finland), Open Source Initiative, Free Software Foundation Europe, Open Knowledge Foundation, and Electronic Frontier Foundation etc. Some companies' Open Source Program Offices (OSPOs) are open to joining associations, which could provide an alternative source of funding. The need to influence software regulation is increasingly recognized, with the realization that the software industry is maturing and the world is changing.

There was also a suggestion to learn from startup ecosystems, acknowledging that while the open-source world used to be anarchic and non-hierarchical, this is changing. Furthermore, given the EU's emerging regulatory power, there is an increasing need for focused lobbying activity.

The importance of preparing proposals for government officials crafting laws was emphasized, alongside a suggestion for a hybrid funding model involving member fees and public funding.

Ethical Considerations

The group agreed on the need to establish ethical boundaries regarding the source of funding, to avoid conflicts of interest or compromising the integrity of OSS policy work.

Conclusion and Key Action Points

To facilitate OSS policy work, there is a need to establish a funding structure that involves both APELL and local organizations. This approach will help streamline lobbying efforts and manage funding more effectively. It is proposed that a representative be appointed in Brussels to spearhead these efforts.

In parallel, local associations should explore additional funding avenues, including public subsidies. The ultimate goal is to create a system that not only funds OSS policy work effectively but also communicates the importance of digital sovereignty and the crucial role OSS plays in achieving this in an open and transparent way.

This approach aligns with the wider aims of the OSS community and can serve as a model of best practice for OSS policy work funding in Europe.

In moving forward, a clear communication strategy will be paramount to avoid the previous issues of complicated messaging and misinterpretation. With unified, clear messaging, OSS policy work can more effectively communicate its needs, lobby for change, and secure the necessary funding.

The group identified several strategies to strengthen the OSS funding ecosystem:

1. **Unified Lobbying Efforts:** Funding a dedicated individual based in Brussels could centralize and streamline OSS lobbying efforts.
2. **Diversification of Funding Sources:** Considering alternative funding sources, such as creating additional membership classes or services for lobbying, could supplement the funds from large software vendors.

3. **Public Subsidies:** Despite their inherent restrictions, public subsidies should be explored, especially in the startup phase to initiate lobbying work. This may involve joint applications with bodies such as the NGI to the NGI0 Commons Fund or responding to calls for projects like the "Public recognition scheme for Open Source".

4. **Adopting Successful Models:** The group emphasized looking into best practices and successful models from other regions that could be adapted to the European context.

5. **Unified Funding Approach:** It was suggested that approximately €100k per year might be required, although some questioned if this amount was sufficient.

6. **Balanced Funding Structure:** A funding structure that takes into account the concerns of national associations should be implemented.

7. **Diverse Funding Sources:** A mix of donations, public funding, and long-term subscriptions was proposed to diversify funding sources beyond large software vendors.

8. **Focus of Lobbying Efforts:** The group questioned whether the focus should be on protecting the open source innovation model or SME interests. The consensus leaned toward the former due to its broader impact.

9. **Best Practices:** Further investigation into successful models from other regions that can be adapted to the European context is recommended.

10. **Branding and Marketing:** The possibility of aligning around a brand and harnessing the marketing power of subsidies was discussed.

WG 2: Software will be regulated: what are the implications and priorities for Europe's OSS industry?

Session Chairs:
Peter Ganten, OSB Alliance (Chair)
Ronny Lam, NLUUG (Co-Chair)

The Working Group 2 explored the potential impacts of upcoming software regulations on the Open Source Software (OSS) industry in Europe. Stakeholders expressed their concerns and expectations about these changes, focusing on how the regulations might change the open-source industry, the possibility to influence these regulations, and the future landscape of regulations in both the EU and the US.

Key Themes and Discussion Points

The OSS Perspective on Upcoming Regulations

The discussions emphasized that the OSS development model is vital to achieve open, sustainable, and innovative digitalization. Concerns were raised about large companies wanting to gain competitive advantages through proprietary, closed systems, leading to lock-in effects and monopolies. These concerns stem from the fact that such approaches disadvantage everyone except those who control the code or respective systems.

The workshop considered examples from different industries, such as the telecommunications industry. Historical evidence suggests that the breaking up of monopolies spurs innovation, benefiting consumers. Therefore, smart regulation is needed to ensure a balance between the interests of individuals, administrations, and companies while preserving the openness of systems.

Key Concerns Regarding Regulations

Regulations should protect innovation, meet security and reliability expectations, and prevent uncontrollable platform effects. However, the workshop participants noted that current regulatory drafts, like the draft Cyber Resilience Act (CRA) include many obstacles and challenges for the open source development model, which might lead to a massive decrease of innovation and business activity in the European IT sector. The cause for this might be that the European Commission (EC) does not fully understand open source, causing additional concerns.

The concept of "openness" was repeatedly emphasized as a means to promote innovation, under the banner of "public money, public code." However, it was noted that different cultures in different EU member states might have varying responses to these arguments, suggesting the need for tailoring strategies to individual countries.

The discussions also highlighted the general risks of the CRA. The participants pointed out that not only should the OSS industry be concerned about the CRA, it will impose challenges on all software vendors, especially because nearly all software producers use open source software in their products.

Proposals for Regulation Framework

The workshop suggested a differentiation between the open-source development model and the product model. Regulations could stipulate that these rules apply

when selling a product, while the community 'product' would not be subject to the same restrictions.

Participants also proposed that the liability should be a percentage of the turnover with a specific software product, separating development from sales. Furthermore, turnover could encompass not just monetary transactions but also data exchanges, as in the case of free Google services.

An additional idea was to mandate open standards and open APIs, aiming for interoperability from both a technical and a business perspective. The idea of 'open business interoperability' was suggested as a potential keyword in this regard.

Core Arguments for OSS

Participants proposed some core arguments to advocate for the OSS ecosystem. These included creating an EU-wide quality label for digital sovereignty, promoting transparency, achieving digital sovereignty, fostering cooperation and re-use, and enhancing competitiveness and prosperity. They also suggested using the argument of free access to knowledge and faster, powerful innovation in Europe.

Conclusion and Key Action Points

The workshop highlighted the concerns and expectations of the OSS industry regarding impending software regulations in Europe. Participants proposed several strategies and ideas to mitigate potential negative impacts and ensure the OSS industry's continued growth and competitiveness. The discussions marked a significant step towards understanding and addressing the challenges and opportunities that these regulations might bring.

The workshop proposed the creation of an Open Source Policy Kit as a practical step towards addressing the challenges discussed. This kit would help clarify the implications of software regulations on open source and ensure effective representation in policy discussions. It would also help strike a balance between necessary regulations and fostering the OSS industry.

More specifically, the following points were discussed:

1. **Develop a European Quality Label for Digital Sovereignty:** In collaboration with Open Source Sweden, work towards the creation of a quality label for digital sovereignty that spans the European Union.

2. **Develop an Open Source Policy Kit:** The development of an Open Source Policy Kit is intended to provide essential information and tools for understanding, interpreting, and influencing regulations and their effects on the open source ecosystem. This project will require collaboration and contributions from numerous individuals and organizations within the OSS community.

3. **Focus on Competitiveness and Prosperity:** Focus on strategies that enhance Europe's OSS industry's competitiveness and contribute to overall prosperity.

4. **Build Strong Relationships with Regulators and Policymakers:** To have a voice in policy discussions, OSS stakeholders must establish strong, ongoing relationships with relevant regulators and policymakers. This will allow them to provide timely input and gain early insight into any forthcoming regulations that could impact the OSS community.

5. **Collaborate with Other Influential Associations and Entities:** By building coalitions with influential trade associations and other entities in Brussels and across the EU, the OSS community can amplify its voice and impact on policy decisions. These collaborations can provide mutual support and leverage the collective power to advocate for favorable regulations.

6. **Advocate for Fair and Balanced Regulations:** OSS stakeholders should actively promote the idea that regulations need to protect innovation and not impose unjust burdens on small development units. The message should be that while some regulation is necessary, it should not disproportionately favor large corporations at the expense of smaller entities or the open-source development model.

7. **Promote Digital Sovereignty and Transparency:** The OSS community should work on emphasizing the role of open source in promoting digital sovereignty, transparency, and innovation in the EU. The development of an EU-wide Quality label for digital sovereignty could be one initiative in this direction.

8. **Educate and Raise Awareness:** There's a need to inform and educate not just the policymakers but also the general public about the importance of OSS for the future of the EU. This could be achieved through various communication initiatives, public forums, educational programs, and advocacy campaigns.

9. **Continuous Monitoring of Regulatory Developments:** Finally, the OSS community should stay vigilant and keep monitoring any new regulatory developments, be it at the EU level or globally. This will help in proactively responding to any changes and ensuring that the interests of the OSS community are well-represented.

WG 3: EU Elections 2024: What should we do?

Session Chairs:
Astor Nummelin Carlberg, OpenForum Europe (Chair)
Jaakko Karhu, OpenForum Europe (Co-Chair)

The main topics of Working Group 3 discussion were on how the APELL group can influence the upcoming elections, leverage open source software (OSS) as a driver of change, and strengthen OSS advocacy in the EU context.

Key Themes and Discussion Points

1. **Early Input and Advocacy for OSS in EU Elections:** Participants stressed the importance of making an early input into the EU election campaigns. They emphasized that the APELL group should prioritize key messages and topics to raise awareness about OSS. Advocates must clarify the potential of OSS in fostering digital autonomy and encouraging citizen participation in the democratic process.

2. **Influencing the Debate:** Participants suggested various strategies that APELL could use to influence the EU election campaign. These included engaging with political candidates, policymakers, and the public to highlight the benefits of OSS. There was a consensus that the APELL group needs to identify specific initiatives or partnerships that can amplify their impact in the electoral discourse.

3. **Harnessing OSS as a Driver of Change:** Participants highlighted the potential of OSS in addressing societal challenges and contributing to the digital transformation of Europe. They suggested that the APELL group should propose policy recommendations and actionable steps to advance OSS advantages and promote digital citizenship in the EU context. Ideas about

collaborations between APELL members, government bodies, and other stakeholders to drive OSS adoption were explored.

4. **Understanding and Navigating the Political Landscape:** The discussion ventured into political dynamics and how they may affect the open source agenda. It took into consideration the expected shift of the European parliament towards the right wing and the potential implications of this shift for OSS advocacy.

5. **Connection to Politicians:** It was agreed that building connections with politicians is central to influencing policy. A key suggestion was the creation of a communication package targeted specifically at the EU context/elections, designed to educate politicians about OSS and its benefits.

6. **Public Perception and Understanding of OSS:** There was a consensus that OSS is often perceived as overly technical and difficult to understand by the general public and politicians. The need to make OSS more accessible and relatable was emphasized, including the development of metaphors and narratives that can be easily understood by non-technical audiences.

7. **Role of Open Source Program Offices (OSPOs):** The group agreed that OSPOs could play a key role in translating the technical aspects of OSS and conveying its benefits to politicians and the public.

8. **Promoting Digital Sovereignty and Avoiding Nationalism:** The group agreed that digital sovereignty is likely to be a significant issue in the upcoming elections. The APELL group could leverage this issue to advocate for OSS as a means of ensuring control over data and software. Participants also raised concerns about the discourse being co-opted by nationalist narratives.

9. **Open Source and Education:** The participants discussed the role of education in promoting open source and the potential idea of integrating OSS contributions into educational curricula.

10. **Creating a European Open Source Investment Fund:** The group discussed the idea of proposing a European Open Source investment fund to support OSS infrastructure and development. The main concern was the need for clear objectives and outcomes tied to this fund.

11. **Vendor Neutrality in Education:** Participants discussed the idea of promoting vendor neutrality in the education system, suggesting that legislation could be used to prevent any single company from dominating the educational software landscape.

12. **Public Money, Public Code Policy:** The group debated the effectiveness of a policy that mandates the use of open source software for publicly funded projects. There was disagreement about the effectiveness of such policies, with some arguing that they could be slow to implement and have limited impact.

13. **Understanding and Addressing the Challenges of OSS:** Various issues related to OSS, such as the perceived complexity by politicians and the public, and the relevance of OSS to non-tech users, were discussed. Participants suggested the need for better communication strategies to explain OSS benefits to different audiences.

14. **Open Source and AI:** The group addressed the intersection of open source and AI and how AI's development may affect the open source landscape.

Conclusion and Key Action Points

The key action points and next steps identified by participants during the third workshop, "EU Elections 2024: What should we do?", include:

1. **Develop an OSS Advocacy Strategy:** Participants agreed to begin work on developing a clear and comprehensive strategy to promote open source software (OSS) ahead of the 2024 EU Elections. The strategy would focus on key messages, target audiences, and effective delivery methods.

2. **Engagement with Political Candidates and Policymakers:** APELL members agreed to proactively engage with potential political candidates, existing policymakers, and influential think tanks to discuss the benefits of OSS and its potential to contribute to Europe's digital transformation.

3. **Collaboration and Partnerships:** The need for increased collaboration between APELL members, government bodies, and other stakeholders was emphasized. The organization would actively seek partnerships to further the adoption of OSS.

4. **Promoting OSS in Education:** Members decided to advocate for the inclusion of OSS in educational curricula. A working group would be established to explore this further and provide recommendations.

5. **Exploring an Open Source Fund:** A sub-committee was set up to explore the feasibility of an open-source fund aimed at infrastructure development. This group would work on defining the objective of the fund, potential sources of capital, and administration structure.

6. **Promoting Public Money, Public Code Policy:** APELL committed to advancing the understanding and adoption of the "Public Money, Public Code" policy. This would involve advocacy work, policy development, and promoting case studies of successful implementation.

7. **Research on OSS Perception and Challenges:** To better target their advocacy efforts, APELL decided to conduct research on the public and political perception of OSS, as well as the challenges associated with its implementation and use. The findings would inform their communication strategies.

8. **Hosting More Discussion Forums:** Given the success of the workshop, APELL agreed to organize more such forums, to facilitate dialogue, share knowledge, and develop concrete plans of action. These could also serve as platforms to engage with external stakeholders.

9. **Establishing a Digital Sovereignty Working Group:** A special working group would be established to delve deeper into the concept of digital sovereignty and how OSS can contribute to it, avoiding the co-optation of the discourse by nationalist narratives.

10. **Policy Recommendations on OSS and AI:** The intersection of open source and AI was considered an important area to explore further. APELL would work on policy recommendations to foster open AI development while preserving ethics, privacy, and transparency.

5. CONCLUSION AND NEXT STEPS

The second annual APELL conference was a great success. With participants coming from all over Europe, this day of reflection was the occasion for them to exchange and compare their different visions and needs. These debates all had the common goal of cooperation and promoting transparent, democratic and sustainable technological solutions.

The European business representation of the OSS, previously still subject to many challenges of representation at European level, has now a platform to speak with one voice. This unity will, we are confident, allow a positive evolution towards a more competitive and transparent market. In light of the latest developments in digital policies, APELL hopes to be able to demonstrate the importance of the field of Open Source.

Acknowledgements

APELL would like to warmly thank the COSS and OpenForum Europe employees for their role in the organization of the conference and conducting this final conference report. We would also like to thank all the participants for their work and support throughout the event. We were rewarded with fruitful discussions and many plans for the future. We would also like to thank Heikki Nousiainen from Aiven for his Keynote presentation.

Next steps

Yet another successful annual APELL conference is leading us to plan for the next edition. It is essential for APELL and its members to continue this work together and to build on the work already done. To this end, APELL will hold its third annual conference, next year in 2024 in Germany. We are pleased to have met each one of you and invite all those who could not join us to do so next year.

APPENDIX: LIST OF PARTICIPANTS

You can find a list of all the people (who have given us the right to publish their name) who participated in the conference and/or helped us conduct this final conference report below:

Timo Väliharju, Executive Director, COSS (Finland) / APELL President

Peter Ganten, Chairman of the Board, OSBA (Germany) / APELL Board Member

Stefane Fermigier, Co-Président, CNLL (France) / APELL Board Member

Astor Nummelin Carlberg, Executive Director, OpenForum Europe / APELL Board Member

Lothar Becker, Member of the board, Open Source Business Alliance

Mikko Hämäläinen, CEO, Druid Ltd

Ilkka Tengvall, Solutions Architect, Red Hat

Jukka Rahkonen, Senior GIS specialist, National Land Survey of Finland

Dubost Ludovic, CEO, XWiki SAS

Jaakko Karhu, Communications and Policy Advisor, OpenForum Europe

Tobie Langel, Principal, UnlockOpen

Ronny Lam, Program manager, NLUUG / NLnet

Janne Järvinen, Mission Lead, Digitalization, Business Finland

Heikki Nousiainen, Field CTO & Co-founder, Aiven

Frank Karlitschek, CEO / Founder, Nextcloud

Kim Aaltonen, Managing Director, Datalounges Oy

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