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"Social Networking in Europe: success and challenges"

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

Safer Internet Forum

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Ladies and Gentlemen,

I am delighted to take part at this year's Safer Internet Forum where all of you, representing industry, public bodies, research and civil society, are discussing challenges and opportunities that the latest technologies bring about. Age verification, cross-media classification, children's use of online technologies and social networking sites – these topics will continue to feed our debates for months.

Today I would like to focus on how social networking sites have emerged as a social and economic phenomenon, how they are being used by the European citizens for social and professional reasons, for entertainment and knowledge. How they changed our lives and how they contribute in particular to shaping young people's daily lives and future.

Let me start with a short overview of the European web 2.0 market.

Social networking sites have become very popular in the last couple of years. In the past year, the population of social networkers has grown by 35% in Europe^[1]. 56% of the European online population visited social networking sites last year and regular users are forecast to rise from 41.7 million now to 107.4 million in the next four years. In Britain in 2007, 9.6 million belonged to the country's social networking community, with 8.9 million in France and 8.6 million in Germany^[2]. The French audience watched a total of 137 million hours of video content alone in May 2008 while 3.2 million mobile phone subscribers used their phone to view a video.

In parallel with well known companies based in the US, like Facebook, Youtube and Myspace, European companies are doing very well in this sector. The Finnish-based Habbo Hotel claims 80 million registrations. Badoo and Faceparty from the UK have a combined membership of about 15 million users; the Belgian-based Netlog has 17 million while the French Dailymotion counts 11 million. From each country networks thrive, whether it is Hyves in the Netherlands, StudiVZ in Germany, Aha.bg in Bulgaria, Arto.dk in Denmark and Skyrock in France, Tuenti in Spain and Grono in Poland. And the list goes on while new actors emerge.

The social networking sites might be, for some, just a way of expanding their personal connections and entertainment. However, we all know that it goes beyond that. Social networking sites can be beneficial to public and professional institutions and to society as a whole.

They offer services for working professionals, for young kids, for the retired, for medical workers or for holiday travellers. In these networks people share personal photos, stories and media entertainment, they keep in touch, they organize their social and political life, their career or studies, they do everything we have not mapped out or imagined yet.

If we consider the numbers I just mentioned, nobody can deny that social networking sites bring about new economic possibilities for the European industry. Their open nature, the flexibility of the internet, their cultural diversity and enhanced interactivity, and the fact that they can serve several different audiences turns them into an environment that business and innovation cannot ignore.

Some companies^[3] that understand the importance of social networking use it to improve their customer services. The result is that the clients are for the first time truly engaged in a company's product innovation and development services, which should eventually lead to an increased client loyalty and more purchases. One example is technology firms that engage customers in their products' development. This way companies can make sure they meet their customers' real needs, increasing their loyalty and, in the end, their own business.

Other companies opened specific networking sites for their own employees, giving them the possibility to operate as a community no matter where they physically are. This gives employees the chance to feel involved in company decisions which helps engagement and increases productivity.

Advertising gets a whole new meaning in the context of social networking sites, especially for companies that do not have a large budget to promote themselves. 40% of small and medium enterprises do not have websites^[4] because running a website can be costly. However, the web 2.0 is an efficient way for them to attract customers and to promote their business by participating in relevant online communities without too much financial effort.

Recruitment and human resources professionals are turning to business networks and recommendations from online contacts to find interviewees. This can be a more efficient way to fill posts than media advertising. Business sites such as the German XING or the British Ecademy are expanding rapidly.

Through the social networking sites, researchers share information and experience no matter where they are. They also use the opportunities offered by these sites to explain their activities in a simple and direct manner. The most recent example is the one of the CERN researchers who made a rap song explaining the functioning and purpose of the Large Hadron Collider (LHC), one of the most impressive scientific experiments ever, and posted it on YouTube where it has registered almost 2 million views.

Besides creating opportunities for business and researchers, social networking sites are a place where creative online content is thriving. Creating and sharing content is now easy and gives users the power to shape information and create new forms of art.

Video sharing companies are a good example of this. A number of musicians became well known by putting their video on MySpace. Dailymotion has created the specific service "motionmakers", to encourage creative video producers and link with cultural events like short film festivals.

Social networking sites can also contribute to the success of the mobile web. New research suggests that mobile web users will grow from 577 million today to over 1.7 billion by 2013. Juniper Research attributes the growth primarily to surging demand for collaborative applications, such as social networks, wikis, online chat, instant messaging.

Social networking sites are also a business themselves, employing more and more people as their user numbers increase. The Belgium-based Netlog attracted an investment of 5 million euro to develop its operations. Sulake Corporation received 18 million euro capital to support the strong growth of its main product, Habbo Hotel. Founded in 2000, the company has its headquarters in Helsinki, Finland, and is supported by 14 other offices around the world. Today, the number of personnel is over 300 globally and the company is in the top 25 of the most valuable digital start ups in the world^[5].

Europe's single market attracts its own champions such as Sulake/Habbo, Dailymotion and Netlog who have shown the capacity to go global and to localise at the same time. Players from other markets, such as Facebook or MySpace have understood this and are now opening offices in Europe where they employ local staff to reflect the culture of a particular country.

Young people have been particularly quick in adopting social networking sites. The age of internet users in Europe has decreased in the past few years. 9-10 year old children now connect several times a week; 12-14 year olds generally use the Internet daily, often for one to three hours. Their main activities are communication through chats, instant messaging and social networking sites.

Research in Denmark, the UK and Italy shows that most children and young people use social networking sites, with the intention of maintaining and enhancing already existing social relations. Young people think that this is an efficient way to manage existing relationships and contact with old friends. Although it is not the main use, some young people use social networking sites to make new friends (e.g. according to Irish research 20% of 12-14 year olds say this is their main aim).

As pointed out in a recent research "Understanding the first generation of digital natives"^[6], children born in the 90s, who have always had access to network technologies, experience information, friendship and privacy differently from their parents. We need to take this new situation into account.

Digital natives are very creative and participative. This gives them a new freedom which comes with risks. This is why we need a collective approach to make sure that young people can have the best of this freedom while remaining safe.

I would like to share with you some of the concerns of the Irish teenagers who answered the public consultation launched by the Commission in the context of the Safer Internet Programme.

Young members of the Irish International Youth Advisory Congress mentioned cyber-bullying as one of the main risks youngsters encounter online. They also highlighted the fact that adults can pass for young people's peers leading eventually to abuse, the so-called grooming.

What to do, in order to protect our children? First, we have not to be over-protective. Children will be adults at the age of 18 and we have to prepare them to face the world confidently and independently. We have to move progressively from protecting very young children to empowering older children.

Although there is still little research available on the use of social networking sites by youngsters, I would also like to mention a few figures: according to a Danish study, 31.5% of the 12 to 18 year old users said that they have had bad experiences on the Internet, caused mainly by messages from strangers.

In Italy^[7], research shows that 32.8% of users of social networks have had at least one "unpleasant" experience online, (pornographic content, offensive messages and sexual harassment). Some have experienced the diffusion of personal information without their consent or found embarrassing pictures of themselves online.

What can we do to make this online environment safe for children and young people while at the same time acknowledging their digital skills, and respecting their right to privacy?

As pointed out by Professor Sonia Livingstone, we have to recognise both the need to protect children who are "seen as vulnerable, undergoing a crucial but fragile process of cognitive and social development to which technology poses a risk" and to take account of the fact that "children are competent and creative agents in their own right, whose media savvy skills tend to be underestimated by the adults around them". To what extent should we allow ourselves to interfere in children's and young people's lives in order to protect them from potential online risks?

A number of solutions have been proposed by the more than 70 respondents to the public consultation on age verification, cross media rating and classification. Several of these proposals are discussed in this year's edition of the Safer Internet Forum; contributions on social networking and age verification will feed the discussions that the Commission has started with representatives of social networking sites.

Attempts to **verify the age** of internet users have been made in various countries, especially to prevent minors from accessing adult content or buying certain goods. The experiences, tools and technical and legal challenges raised by age verification were discussed in the forum yesterday. They will help to clarify the situation.

A recent UK study (conducted by Ofcom) shows that despite the fact that the minimum age for most major social networking sites is usually 13 (14 on MySpace), 27% of 8-11 year olds say they have a profile on a site.

In this context some measures like preventing users from registering several times may be useful so that youngsters cannot register a second time if their first attempt was refused on account of age. But let us be realistic. It is currently impossible to completely prevent registration of underage users. As some social networking sites have very young users, they need to take this into account in their safety policy and settings. The Internet industry should take a pro-active role in protecting minors using their services. I am a supporter of industry **self-regulation** regimes as long as they are broadly accepted by stakeholders and provide for effective enforcement. Here are some concrete examples:

In the UK the "Good practice guidance for the providers of social networking services" was adopted in April this year. It involved a lot of discussions and knowledge sharing between industry, NGOs and the UK government. There is also the self-regulatory agreement of the Association of Danish Internet Media, and the agreements of Myspace and Facebook with the Attorney General in the US.

Following the successful Commission initiative of 2007 when mobile operators signed the European Framework for Safer Mobile use by Young Teenagers and Children, the Commission is now discussing with social networking sites a set of guidelines meant to ensure children's and young people's online safety. The social networking sites are involved in providing a safe environment for their young users. I would like to congratulate them and I hope that this process will have a concrete result by the next Safer Internet Day, 10 February 2009.

We have already got a number of good examples of social networking sites which provide user safety tools and information. Many of them have in place systems for reporting unwanted content and inappropriate or illegal behaviour, like cyberbullying and grooming. A report is usually followed by written warnings to the offending users, suspension or cancellation of accounts.

When lawfully required by the police, sites have a policy for the disclosure of communications data and content in line with the national law. In addition, most social networking sites train their personnel to manage different types of situations. In this area, partnership with childcare organisations may be fruitful, as the Danish example shows. Save the Children Denmark, an NGO, is training moderators who work with Arto.dk, a Danish social networking site.

Concerning safety settings, I think that sites which specifically target young children (under 12), such as Club Penguin or Cbeebies, Barbiegirls.com, Imbee. or kpwebben.se are expected to use high levels of pre-screening of content for chatting and messaging, moderation and minimal collection of personal information, and possibly some kind of parental control.

For teenagers, of course, things are different. I would like to go back to the contribution of the young Irish who felt that parents themselves need to be educated so that they can teach their children to stay safe and behave ethically online. And given the widening gap between children's and young people's use of technologies and adults' understanding of their use, I believe they are right.

The respondents to our public consultation also pointed out that discussions and co-operation between parents and children are the most effective ways of protecting children and young people when online. I believe information and awareness-raising are important both for children, young people and parents.

Children and young people, like all other citizens, should also be aware of their rights. Europe has good legislation in place to protect personal data against illegitimate use. Youngsters should know that there are institutions which can help them in case things go wrong.

Let's consider the results of a Eurobarometer survey the Commission conducted in 2007. It shows that while many children and youngsters are well aware of the precautions they need to take online, some of them admit that they have engaged in risky behaviour. They tended to be too confident in their capacity for dealing with risks.

The European Union is addressing this issue through the awareness-raising activities conducted by the Europe-wide awareness network (INSAFE), created within the scope of the Safer Internet Programme and present in 27 countries. The activities of the network aim to empower parents, teachers and children. As part of their activity, awareness centres have developed material which carers can use for their own information, have organized workshops in schools and co-operate with the social networking sites to develop educational materials on safety issues.

The most visible event organised by the Safer Internet awareness network (INSAFE) is Safer Internet Day, celebrated each year. Safer Internet Day has become a truly international event with 100 organisations in over 50 countries taking part in 2008. Last year the Danish awareness node launched a very successful campaign, in partnership with main social networking sites used by teenagers in Denmark. The campaign, full of humour, featured an "anti-hero", who did everything wrong on the internet such as putting up personal information and videos of his friends, etc.

In 2009, the European Commission will launch a pan-European campaign through the INSAFE network, about the potential risks children and young people could meet online. It will kick off on Safer Internet Day on 10 February.

The Commission will continue its efforts to increase the safety of children online. The new Safer Internet Programme proposed by the Commission for the period 2009-2013 and which I hope will be adopted by the European Parliament and Council by the end of the year, includes new actions, to encompass risks raised in particular by social networking services, like cyber-bullying and grooming. This programme will also fund projects to better understand the use of the Internet, including social networking sites, by children.

Social networking sites present us with two sides of the same coin: on the one hand, they have changed our use and understanding of new technologies. They have turned us into active users of the Internet and have shown us that we do not need special skills in order to create new forms of art online. They have changed our social relations, how we get a job, how we do business, how we look for information. In doing so they influence, more than anything, the everyday lives of children and young people who were born in the digital era and who are citizens of the online world, just as much as they are citizens of the real, offline world.

On the other hand, we have to make sure that the digital world is as safe as possible for children and youngsters while respecting their right to privacy. Let us not forget how important it is to allow them to express themselves and to take advantage of the many opportunities offered by the social networking sites.

This is why we have to provide our young generation with information about the risks, the rights and the tools available to protect themselves. We should keep open all our channels of communication with them so that we can hear their views and requests, their complaints and, very important, their advice.

I am firmly convinced that we all understand our responsibilities. I hope that by February next year on the Safer Internet Day, we will have a "code of conduct" in place, in which social networking services commit to self-regulation covering protection of minors and data privacy. That would be an important step forward to make social networking flourish in Europe.

See also [MEM/08/587](#)

[1] Comscore.com "Social Networking Explodes Worldwide as Sites Increase their Focus on Cultural Relevance" retrieved from <http://www.comscore.com/press/release.asp?press=2396> on September 4, 2008

[2] Datamonitor, May 2008

[3] Technology firms like Microsoft, Dell, Intuit, according to the Financial Times

[4] Financial Times, "Web 2.0: The salvation of SMEs", retrieved on 04.09.2008 at <http://www.ft.com/cms/s/0/93bc113a-63ae-11dd-844f-0000779fd18c.html>

[5] Silico Alley Insider <http://www.alleyinsider.com/sai25/>

[6] Understanding the first generation of digital natives, by John Palfrey and Urs Gasser, Harvard

[7] Save the Children Italy conducted a survey on a national representative sample of 300 children aged 13-17.