Social Networking Sites: Commissioner Reding stresses their economic and societal importance for Europe

Viviane Reding, Commissioner for Information Society and Media, will today give a speech on Social Networking. It will be the first public statement of the Commissioner on this subject. The speech will be given at today's Safer Internet Forum that takes place in Luxembourg and focuses on Safer Internet and children this year. Commissioner Reding will underline the importance of self-regulation and will also meet representatives of the social networking companies Myspace *and* Dailymotion*.*

What is the importance of social networking sites in Europe?

In the past year, the use of social networks has grown 35% in Europe. 56% of the European online population visited social networking sites last year and the number of regular users is forecast to rise from today's 41.7 million to 107.4 million in the next four years. In 2007 9.6 million British belonged to the country's social networking community, with 8.9 million and France and 8.6 million in Germany.

In Europe users spend 3 hours per month on average on social networking sites according to comscore.com. The UK registered the highest usage in 2007 with an average of 5.8 user hours spent on such sites. This was a significantly heavier usage level than in France, which averaged 2 hours per month, or Germany, with 3.1 hours and Spain and Italy with 1.8 hours.

In parallel with well known companies based in the US like Facebook, Youtube and Myspace, European companies are doing very well in this sector. Finland-based Habbo Hotel claims 80 million registrations. Badoo and Faceparty from the UK have a combined membership of about 15 million users; Belgian-based Netlog has 17 million while the French based Skyrock 18 million and Dailymotion 11 million.

Other European sites include Hyves in the Netherlands, StudiVZ and SchuelerVZ.de in Germany, Aha.bg in Bulgaria, Arto.dk in Denmark, E puls and Grono in Poland, Szene1.at in Austria, Studenti media group in Italy, and Tuenti in Spain.

Why is the Commission now addressing social networking sites?

Because of the open nature of social networking sites and the fact that they offer cultural diversity and enhanced interactivity, they can serve several different audiences with minimum financial effort and bring about new economic opportunities for the European industry. Customer service, advertising, mobile phone industry, human resources, entertainment are only a few sectors that have been changed by the raise of the social networking sites.

Social networking sites also turn people into active users of new technologies and empower them to make active choices about their environment by offering the opportunity to create new creative content.

The most obvious change brought about by the social networking sites is probably the influence on the way people manage their social contacts. Whether it is maintaining and enhancing existing relations or making new friends online, social networking sites play an increasingly important role in the way people keep in touch and organise their social life.

Social networking sides also have started to raise new issues with regard to data privacy and protection of minors.

Why are social networking sites on the agenda of today's Safer Internet Forum in Luxembourg?

To stimulate the debate on Social networking and children, the Commission organised the **Safer Internet Forum** in Luxembourg on 25-26 September. The Safer Internet Forum gathers around 300 participants from NGOs, industry, and public authorities, coming from Europe, the US, Brazil or Australia.

In parallel, the Commission launched a public consultation on **social networking and child safety**. The results of the public consultation have been published online.

The European Commission is encouraging **self-regulation** with regard to social networking. For this purpose the Commission has convened a **Social Networking Task Force**, which held two meetings in 2008 with 17 operators of social networking sites used by under-18s (e.g. MySpace, Facebook, YouTube, Bebo, Hyves, StudiVZ, and Skyrock), a number of researchers and child welfare organisations. The objective is to agree on voluntary guidelines for use of social networking sites by children, to be adopted voluntarily by the European industry. The Commission acts as a facilitator for bringing together industry players and other stakeholders interested in child safety online. In doing so its builds on its experience from the successful initiative with the mobile phone industry, which resulted in the European Framework for Safer Mobile Use by Younger Teenagers and Children (IP/07/139).

Last February, the European Commission proposed a new Safer Internet programme to enhance the safety of children in the online environment (IP/08/310). The 2009-2013 programme takes into account new developments such as mobile content and social networking sites.

What are the business possibilities of social networking?

Social networking sites can be beneficial to public and professional institutions and to society as a whole. Given the popularity of social networking services among professionals, the young and the retired for sharing holiday photos, stories and news, keeping in touch, and organising their social and working life, it is clear that social networking sites offer potential for European industry, by increasing productivity through better customer relations and internal communications or as a business in itself.

Technology firms are taking the lead by using social networking to improve customer services and client involvement in company's product innovation and development services. Other companies are opening specific networking sites for their own employees, giving them the possibility to operate as a community no matter where they are. This gives employees the chance to feel involved in company decisions which could help engage them and increase productivity.

Social networking websites are also a means for smaller companies to take advantage of the internet at lower cost. 40% of small and medium enterprises do not have websites because running a website can be costly. These are cheaper, less demanding but efficient way for them to attract customers and promote their business across borders.

While social networking offers great contributions to productivity and growth, it is also directly creating jobs in Europe. For example, since its foundation in 2000, Finnish social networking company and a European Champion in this field, Sulake Corporation has expanded from its headquarters in Helsinki to 14 other offices around the world. It employs over 300 people globally and the company is in the top 25 of the most valuable digital start ups in the world. Furthermore, international social networking companies like Facebook and MySpace are now opening offices in Europe, employing local staff to reflect the culture of a particular country.

What risks are involved in the increased use of Social Networking Sites? Are they safe for young people?

The social networking phenomenon was most rapidly and immediately adopted by young people, and this trend is continuing. The age of internet users in Europe has actually 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. One of their main activities is communication through chats, instant messaging and social networking sites.

The risks they face in passing an increasing proportion of social time online include grooming (where adults can pass for young people with the intent of abusing children), accidentally finding inappropriate content, abuse of personal or private information or cyber-bullying. According to a Danish study, 31.5% of the 12 to 18 year old users participating in the study said that they have had bad experiences on the Internet. 70.1% of these were caused by messages from strangers.

What can be done to minimise the risks?

There are many existing measures to **protect** young internet surfers like screening and parental control. Some social networking sites also 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 use a combination of technical and human moderation with personnel who receive appropriate training to manage different types of situations.

However, it is also important to **empower** digital natives – who have grown up with and are more confident in using network technologies – though age verification systems and industry self-regulation.

Following the successful initiative of 2007 with the support of the Commission, when mobile operators signed the European Framework for Safer Mobile use by Young Teenagers and Children, the Commission is discussing a set of guidelines for ensuring the online safety of young people and children with social networking sites. They will be unveiled at the next Safer Internet Day, February 10, 2009, along with a pan-European INSAFE network campaign to raise awareness of the potential risks children and young people can meet online.

More information on the Safer Internet Programme:

http://ec.europa.eu/information_society/activities/sip/index_en.htm