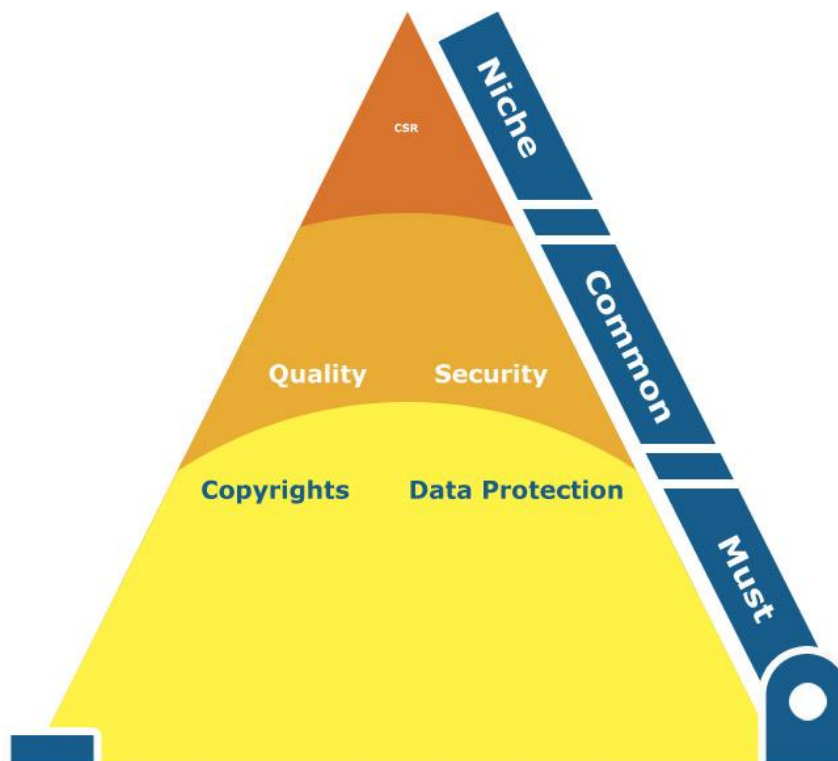




EU Buyer Requirements for IT Outsourcing

Buyer requirements can be divided into (1) *musts*, requirements you must meet in order to enter the market, such as legal requirements, (2) *common* requirements, which are those most of your competitors have already implemented, in other words, the ones you need to comply with in order to keep up with the market, and (3) *niche* market requirements for specific segments.



ITO must

Copyrights

The EU has established specific rules to protect computer programs by means of copyright. On the one hand this means that you have to make sure that you do not breach somebody else's copyrights when placing your computer programme on the market. On the other hand, the same legislation will also protect your products against unauthorised reproduction of

Considerations for action

- Read more on copyrights of computer programmes on the [website of the European Commission](#).

computer programs.

Personal data protection in electronic communications

Privacy is a highly protected good in the EU. Providers of technical services regarding electronic communications to EU companies therefore have to take into account the EU legislation on personal data protection which, among other things, states that:

- o traffic data may only be processed with the consent of the user
- o providers must inform users of the type and duration of traffic data processing.
- o unsolicited commercial electronic messages ("spamming") is not allowed
- o there are strict rules on the use of cookies
- o EU citizens have to give prior consent before their telephone numbers etc. May be published.

Providers that do not respect the requirements, may be subject to EU enforcement actions and/or possible claims, even if they are located outside of the EU.

- Make sure you familiarise yourself with the EU laws on personal data protection, to avoid (unknowingly) damaging your business.
- Click [here](#) for more information on the EU policy on data protection on the relevant web pages of the European Commission.

Common buyer requirements for ITO service providers: Quality and security

Quality

To be assured of continuous quality, many EU buyers only do business with companies that implemented a quality management system. Implementing a general quality management system such as the well known ISO 9001 is a good start to show that your company is well organised.

Another way of proving to your customer that you are able to deliver the required service quality, is using the worldwide adopted [CMMI model](#) (in which you can achieve a 1-5 level rating).

Complying with a sector specific standard or code of practice is even better and often required. Examples are: Basel II and III for the finance and banking industry, HL7 and HIPAA for the healthcare industry or PCI DSS for the payment card industry or the [Code of Practice for Cloud Service Providers](#) from the Cloud Industry Forum ('CIF')

Security

Data security is one of the main challenges for software providers. This concern data protection (incl. virus protection) as well as decent recovery systems in cases where something goes wrong. Many EU buyers, especially in industries in which security is essential (e.g. banking) will ask you to implement an information security and management system, such as the [ISO 27000-series](#).

Considerations for action

- Consider implementing ISO 9001 if you have not done so already.
- Check which sector specific standards or codes are available for your specific product (e.g. by asking your sector association or your buyer) and to what extent your buyer wants you to implement them.
- Make sure you have in place effective security processes and systems, from business-continuity and disaster-recovery, to virus protection.
- Check to what extent your buyer requires you to implement a security management system like ISO 27002.

Niche markets: Use CSR and 'green' as a USP

Corporate Social Responsibility (CSR) and environmentally friendlier ('green') practices are becoming more important for large companies and governments in Northern and Western Europe. Many EU companies involve their suppliers in their CSR policies. Although not a direct selection criteria, having a well documented CSR policy may be an advantage over companies without one.

Considerations for action

- Consider showing commitment to CSR and green practices by implementing your own CSR policy. It may be a unique selling point (USP) and a differentiator when your buyers have to choose between several ITO providers.
- Since the energy consumption in the IT sector is very high, implementing a plan for energy saving is a good example of greener production.
- Publish your commitment to CSR and the environment in your marketing materials.

This document was compiled for CBI by CREM B.V.

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