At a glance

Plenary - 14 January 2016



Towards a Digital Single Market Act

In May 2015, the Commission adopted a strategic proposal entitled 'A Digital Single Market Strategy for Europe', comprising 16 legislative and non-legislative initiatives to be delivered by the end of 2016. A report by the Committees on Internal Market and Consumer Protection (IMCO) and on Industry, Research and Energy (ITRE), elaborating on the Strategy and its impact on society and economy, is due to be discussed in plenary in January.

Commission proposal

Creating a fully integrated <u>Digital Single Market</u> (DSM) is one of the main priorities of the current European Commission. For its President, Jean-Claude Juncker, completing the DSM is a <u>tool</u> which can generate growth and jobs without creating public debt. The EU has made efforts to help advance the digital economy in Europe since the mid-1990s but despite significant progress the DSM remains <u>incomplete</u>. The current <u>strategy</u> adopted on 6 May 2015 aims to reinvigorate the DSM project and is focused on three pillars: boosting access of consumers and businesses to digital goods and services, developing the conditions for digital networks and services to prosper, and making the best of the growth potential of digital economy.

Towards a Digital Single Market Act

On 14 December 2015, the ITRE and IMCO Committees jointly adopted, by a large majority, a report on DSM Strategy (rapporteurs Kaja Kallas, ALDE, Estonia and Evelyne Gebhardt, S&D, Germany). The Committees on Employment and Social Affairs, Culture and Education, Legal Affairs and Civil Liberties, Justice and Home Affairs were associated, while the Committees on Transport and Tourism and Economic and Monetary Affairs also gave opinions. The report welcomes the Communication and calls for swift implementation of its initiatives. Furthermore, it stresses the immediate need for the Commission and the Member States to support a more dynamic economy which is conducive to innovation, eliminates barriers for businesses (especially for innovative enterprises, SMEs, start-ups and scale-ups), and creates a level playing field through development of e-government, a future-proof regulatory and non-regulatory framework, a long-term digital investment strategy and better access to finance. More efforts are also needed to promote entrepreneurial culture and innovative business models. The report expresses concerns over the diverging national approaches that Member States have pursued on regulating the internet and the sharing economy.

The Committees underline that online and offline sales should be treated equally in terms of consumer protection, and that the Commission's proposals for cross-border contract rules should avoid creating different legal standards applicable to these two kinds of purchases. They also support the Commission's commitment to end unjustifiable geo-blocking practices, which often produce undesirable consequences such as creation of monopolies and switching to illegal content by consumers. Consequently, their report welcomes the proposal to strengthen portability and interoperability in the DSM, to boost undeterred circulation of legally acquired content or services. The report calls on the Commission to assess the appropriateness of existing rules in resolving potential issues related to online platforms, and to establish guidelines on application of consumer legislation to traders using these platforms. It also urges the Commission and Member States to support development of the sharing economy, as this increases competition and consumer choice. Furthermore, the report calls on the Member States to make certain that employment and social policies are suitable for the digital economy, without prejudice to employment rights and social welfare schemes. The Committees also urge the Commission to develop a strategy addressing shortages of e-skills, especially among young people. Furthermore, they call for the development of an e-government action plan based on the 'once only principle' in public administrations, under which citizens and businesses are not to be asked again for information previously given to a public authority.