

Digital Single Market for Europe

The European Commission has proposed a new strategy to create a deeper Digital Single Market, in order to overcome the current fragmentation into 28 national markets. The strategy comprises a mix of legislative and non-legislative initiatives to be tabled by the end of 2016. However, the first reactions to the strategy have been mixed.

Background

Information and communications technologies and the digital economy have the potential to create growth and jobs in Europe through putting in place a genuine Digital Single Market (DSM). The EU has been making efforts to help create a more integrated European digital economy through numerous legislative initiatives and with the launch of the Digital Agenda. Despite this, the DSM remains [fragmented](#) into 28 national markets, and obstacles to unlock its full potential remain firmly in place. Recent [estimates](#) by the EP suggest that a fully functioning DSM could contribute annually as much as an additional €415 billion to EU GDP.

Commission proposal

Recognising these issues, the European Commission has made the completion of the DSM one of its top [priorities](#), to be achieved by a dedicated [project team](#) bringing together 13 Commissioners. On 6 May 2015, the Commission adopted the new [DSM strategy](#), based on three pillars involving 16 actions:

- **I – Improving access for consumers and businesses to digital goods and services by:** new rules to facilitate cross-border e-commerce; review of the Regulation on Consumer Protection Cooperation; improving price transparency and regulatory oversight of parcel delivery in EU; legislative proposal aimed at ending unjustified [geo-blocking](#) of online content; identifying competition concerns affecting e-commerce; copyright law reform; review of the Satellite and Cable Directive; and simplifying VAT regimes.
- **II – Creating growth-conducive conditions and a level playing field for digital networks and innovative services by:** overhaul of EU telecoms rules; review of the audiovisual media framework; examining the role of online platforms and ways to combat illegal online content; review of the e-Privacy Directive; and initiating a public-private cybersecurity partnership.
- **III – Maximising the growth potential of the digital economy by:** launching 'Free Flow of Data' and 'European Cloud' initiatives; defining key priorities for standards and a revision of the European Interoperability Framework; making digital skills and expertise key components of the Commission's future initiatives on skills and training, and presenting a 2016-20 e-Government Action Plan.

The Commission has committed to delivering both the legislative and non-legislative initiatives by the end of 2016.

First comments

Some observers expect that setting a clear timeline for adoption of the proposals may be [challenging](#) given the mixed reaction to the proposal from some MEPs. The first reactions from the chairs of the three Committees (IMCO, ITRE and JURI) that will work intensively on the upcoming legislative initiatives were however generally [positive](#). Many stakeholders such as [Digital Europe](#), the [GSM Association](#), [Ecommerce Europe](#) and [Cable Europe](#) welcomed the strategy and agreed that it is an important element in the transition of the EU's economy to the digital era. The [European Telecommunications Network Operators' Association](#) underlined that the timing and ambition are essential to deliver in the fast-paced digital market environment. [Consumer representatives](#) said that setting high consumer protection standards would be the key to the success of the DSM strategy. The [Bruegel](#) think-tank argued that, at this stage, the strategy indicates neither its main priorities nor the details of how it will be implemented.