

Completing the digital single market

European Parliament resolution of 11 December 2012 on completing the Digital Single Market (2012/2030(INI))

The European Parliament,

- having regard to the Commission communication of 3 October 2012 to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions entitled ‘Single Market Act II’ (COM(2012)0573),
- having regard to the proposal of 4 June 2012 for a Regulation of the European Parliament and of the Council on electronic identification and trust services for electronic transactions in the internal market (COM(2012)0238),
- having regard to the Commission communication of 29 May 2012 entitled ‘Consumer Scoreboard shows where consumer conditions are best in Europe - Seventh edition of the Consumer Conditions Scoreboard’ (SWD(2012)0165),
- having regard to its resolution of 22 May 2012 on a strategy for strengthening the rights of vulnerable consumers¹,
- having regard to its resolution of 22 May 2012 on the Internal Market Scoreboard²,
- having regard to the Commission communication of 22 May 2012 to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions entitled ‘A European Consumer Agenda - Boosting confidence and growth’ (COM(2012)0225),
- having regard to the Commission Staff Working Document of 22 May 2012 entitled ‘Report on Consumer Policy (July 2010 - December 2011)’ (SWD(2012)0132), accompanying the communication ‘A European Consumer Agenda - Boosting confidence and growth’ (COM(2012)0225),
- having regard to the Commission communication of 2 May 2012 entitled ‘European Strategy for a Better Internet for Children’ (COM(2012)0196),
- having regard to the Commission communication of 20 April 2012 entitled ‘A strategy for e-procurement’ (COM(2012)0179),
- having regard to the proposal of 25 January 2012 for a Regulation of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) (COM(2012)0011),

¹ Texts adopted, P7_TA(2012)0209.

² Texts adopted, P7_TA(2012)0211.

- having regard to the Commission communication of 11 January 2012 entitled ‘A Coherent framework for building trust in the Digital Single Market for e-commerce and online services’ (COM(2011)0942),
- having regard to its resolution of 15 November 2011 on a new strategy for consumer policy¹,
- having regard to its resolution of 15 November 2011 on online gambling in the internal market,²
- having regard to Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council³,
- having regard to the proposal for a regulation of the European Parliament and of the Council on a consumer programme 2014-2020 (COM(2011)0707) and the related documents (SEC(2011)1320 and SEC(2011)1321),
- having regard to its resolution of 25 October 2011 on mobility and inclusion of people with disabilities and the European Disability Strategy 2010-2020⁴,
- having regard to the proposal of 19 October 2011 for a Regulation of the European Parliament and of the Council establishing the Connecting Europe Facility (COM(2011)0665),
- having regard to the Commission communication of 21 October 2011 entitled ‘Making markets work for consumers – Sixth edition of the Consumer Markets Scoreboard’ (SEC(2011)1271),
- having regard to its resolution of 5 July 2011 on a more efficient and fairer retail market⁵,
- having regard to the Commission Staff Working Paper of 7 April 2011 entitled ‘Consumer Empowerment in the EU’ (SEC(2011)0469),
- having regard to the Commission communication of 4 March 2011 entitled ‘Consumers at home in the single market - Fifth Edition of the Consumer Conditions Scoreboard’ (SEC(2011)0299),
- having regard to the Commission communication to the European Council entitled ‘Europe 2020, a strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to its resolution of 15 December 2010 on the impact of advertising on consumer behaviour⁶,

¹ Texts adopted, P7_TA(2011)0491.

² Texts adopted, P7_TA(2011)0492.

³ OJ L 304, 22.11.2011, p. 64.

⁴ Texts adopted, P7_TA(2011)0453.

⁵ Texts adopted, P7_TA(2011)0307.

⁶ OJ C 169 E, 15.6.2012, p. 58.

- having regard to its resolution of 21 September 2010 on completing the internal market for e-commerce¹,
- having regard to Council Directive 2010/45/EU of 13 July 2010 amending Directive 2006/112/EC on the common system of value added tax as regards the rules on invoicing²,
- having regard to the ECJ judgments on Google (Joined Cases C-236/08 to C-238/08, judgment of 23 March 2010) and BergSpechte (Case C-278/08, judgment of 25 March 2010), which define the notion of the ‘normally informed and reasonably attentive internet user’ as being the standard internet consumer,
- having regard to Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive)³,
- having regard to its resolution of 9 March 2010 on consumer protection⁴,
- having regard to its resolution of 25 October 2011 on mobility and inclusion of people with disabilities and the European Disability Strategy 2010-2020⁵,
- having regard to the Commission communication of 3 March 2010 entitled ‘Europe 2020: A strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to the Monti report of 9 May 2010 on a new strategy for the single market,
- having regard to the analytical report entitled ‘Attitudes towards cross-border sales and consumer protection’ published by the Commission in March 2010 (Flash Eurobarometer 282),
- having regard to the Commission communication of 22 October 2009 on cross-border business to consumer e-commerce in the EU (COM(2009)0557),
- having regard to the ‘Mystery shopping evaluation of cross-border e-commerce in the EU’, a study conducted on behalf of the Commission’s DG SANCO by YouGovPsychonomics and published on 20 October 2009,
- having regard to the Commission Staff Working Document of 22 September 2009 on the follow up in retail financial services to the Consumer Markets Scoreboard (SEC(2009)1251),
- having regard to the communication of 7 July 2009 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on a harmonised methodology for classifying and reporting consumer complaints and enquiries (COM(2009)0346), and to the accompanying draft Commission recommendation (SEC(2009)0949),

¹ OJ C 50 E, 21.2.2012, p. 1.

² OJ L 189, 22.7.2010, p. 1.

³ OJ L 95, 15.4.2010, p. 1.

⁴ OJ C 349 E, 22.12.2010, p. 1.

⁵ Texts adopted, P7_TA(2011)0453.

- having regard to the Commission communication of 2 July 2009 on the enforcement of the consumer acquis (COM(2009)0330),
- having regard to the Commission report of 2 July 2009 on the application of Regulation (EC) No 2006/2004 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws (the consumer protection cooperation regulation) (COM(2009)0336),
- having regard to the Commission Staff Working Document of 5 March 2009 entitled ‘Report on cross-border e-commerce in the EU’ (SEC(2009)0283),
- having regard to its resolution of 5 February 2009 on international trade and the internet,¹
- having regard to its resolution of 13 January 2009 on the transposition, implementation and enforcement of Directive 2005/29/EC concerning unfair business-to-consumer commercial practices in the internal market and Directive 2006/114/EC concerning misleading and comparative advertising²,
- having regard to its resolution of 3 September 2008 on how marketing and advertising affect equality between women and men³,
- having regard to its resolution of 21 June 2007 on consumer confidence in the digital environment⁴,
- having regard to Regulation (EC) No 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws (the consumer protection cooperation regulation)⁵,
- having regard to Directive 2006/114/EC of the European Parliament and of the Council of 12 December 2006 concerning misleading and comparative advertising⁶,
- having regard to Article 20(2) of Directive 2006/123/EC of 12 December 2006 on services in the internal market⁷,
- having regard to its resolutions of 23 March 2006 on European contract law and the revision of the acquis: the way forward⁸ and of 7 September 2006 on European contract law⁹,
- having regard to the Commission communication on the review of the EU regulatory framework for electronic communications networks and services (COM(2006)0334),

¹ OJ C 67 E, 18.3.2010, p. 112.

² OJ C 46 E, 24.2.2010, p. 26.

³ OJ C 295 E, 4.12.2009, p. 43.

⁴ OJ C 146 E, 12.6.2008, p. 370.

⁵ OJ L 364, 9.12.2004, p. 1.

⁶ OJ L 376, 27.12.2006, p. 21.

⁷ OJ L 376, 27.12.2006, p. 36.

⁸ OJ C 292 E, 1.12.2006, p. 109.

⁹ OJ C 305 E, 14.12.2006, p. 247.

- having regard to Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market¹,
- having regard to Directive 2004/113/EC of the Council of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services²,
- having regard to Special Eurobarometer No 342 on consumer empowerment,
- having regard to the UNCITRAL Convention on the Use of Electronic Communications in International Contracting 2005, the UNCITRAL Model Law on electronic signatures (2001) and the UNCITRAL Model Law on electronic commerce (1996)³,
- having regard to the First Application Report of 21 November 2003 on the E-Commerce Directive (COM(2003)0702),
- having regard to Directive 2002/65/EC of the European Parliament and of the Council of 23 September 2002 concerning the distance marketing of consumer financial services and amending Council Directive 90/619/EEC and Directives 97/7/EC and 98/27/EC⁴,
- having regard to Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector⁵,
- having regard to Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market⁶,
- having regard to Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data⁷,
- having regard to the Charter of Fundamental Rights of the European Union, as incorporated into the Treaties by Article 6 of the Treaty on European Union (TEU), and in particular its Articles 7 (respect for private and family life), 21 (non-discrimination), 24 (the rights of the child), 25 (the rights of the elderly), 26 (integration of persons with disabilities) and 38 (consumer protection),
- having regard to Article 9 TFEU, which stipulates that ‘in defining and implementing its policies and activities, the Union shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health’,

¹ OJ L 149, 11.6.2005, p. 22.

² OJ L 373, 21.12.2004, p. 37.

³ <http://www.un.or.at/unictral>

⁴ OJ L 271, 9.10.2002, p. 16.

⁵ OJ L 201, 31.7.2002, p. 37.

⁶ OJ L 178, 17.7.2000, p. 1.

⁷ OJ L 281, 23.11.1995, p. 31.

- having regard to Article 11 TFEU, which stipulates that ‘environmental protection requirements must be integrated into the definition and implementation of the Union policies and activities, in particular with a view to promoting sustainable development’,
 - having regard to Article 12 TFEU, which stipulates that ‘consumer protection requirements shall be taken into account in defining and implementing other Union policies and activities’,
 - having regard to Article 14 TFEU and Protocol 26 thereto on services of general (economic) interest,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on Industry, Research and Energy, the Committee on Development, the Committee on Culture and Education and the Committee on Legal Affairs (A7-0341/2012),
- A. whereas completing the Digital Single Market is a key factor in making the EU the most competitive and dynamic knowledge-based economy in the world;
 - B. whereas e-commerce and online services are a vital force of the internet and are crucial to the aims of the EU 2020 strategy for the internal market, benefiting both citizens and businesses through intelligent, sustainable and inclusive growth;
 - C. whereas 99 % of all European businesses are SMEs, providing 85 % of employment, and SMEs are thus the driving force in the European economy, having the prime responsibility for wealth creation, employment and growth, as well as innovation and R&D;
 - D. whereas e-commerce has become an essential part of commerce and an important driver of consumer choice, competition and technological innovation, given that consumers and businesses differentiate less and less between online and offline in their daily life;
 - E. Recalls that a Digital Single Market where services can flow freely within a market of 500 million consumers is a crucial driver for competitiveness and economic growth, providing highly-qualified jobs and facilitating the EU’s convergence into a knowledge-driven economy;
 - F. Emphasises that broadband and the internet are important drivers for economic growth, the knowledge society, job creation, innovation and European competitiveness, as well as boosting online commerce and services; stresses that consumers and businesses need broadband access to take full advantage of the internet;
 - G. Emphasises the importance of ‘one-stop-shops’ for VAT in order to facilitate crossborder e-commerce for SMEs and promote e-invoicing; points out, however, that such ‘one-stop shops’ should be created only within the framework of existing institutions, without increasing the burden on the taxpayer;
 - H. whereas companies which have developed their internet economy have progressed far more than others, and in the current economic and financial crisis with the generation of

employment practically depending on SMEs, it is essential to remove barriers to online commerce so that they can benefit from all its advantages;

- I. whereas online markets need to be as flexible as possible in order to create better business and development opportunities in this sector;
- J. whereas e-commerce is an important complement to offline trade, providing opportunities for small companies to grow and offering greater access to goods and services, including in remote areas and in the countryside and for people with disabilities and reduced mobility;
- K. whereas, in some G-8 countries the internet has accounted for 20 % of economic growth and 25 % of jobs created in the last five years;
- L. whereas the benefits of globalisation can be more evenly distributed among consumers and SMEs thanks to the internet and e-commerce;
- M. whereas achieving an effective functioning internal market would be an important step towards fulfilling the Lisbon agenda goals of increasing growth, employment and competitiveness to serve the 500 million consumers in the EU;
- N. whereas the Digital Single Market offers a wider choice at more competitive prices to consumers, especially to those living in less accessible, remote or outlying areas, as well as those with reduced mobility who would otherwise not have access to a wide choice of goods; whereas the internet allows new businesses, in particular SMEs, to start up and enables existing companies to flourish by finding new market niches;
- O. whereas there are 75 million persons with disabilities in Europe, and these persons should also have full access to the internal market, paying particular attention to the challenges of digital interfaces in the case of people with visual impairments;
- P. whereas the internet and technology constitute tools enabling the internationalisation of SMEs and their increased engagement in international markets and trade; calls for an integrated European market for card, internet and mobile payments; calls, at the same time, for a facilitated framework for e-invoicing; stresses in both these regards the importance of interoperability and open standards so as to facilitate maximum market potential and competition;
- Q. whereas consumers benefit from e-commerce in terms of lower prices and wider choice, allied to the convenience of being able to shop without leaving their homes; whereas this is particularly beneficial for disabled consumers and consumers in rural or remote areas;
- R. whereas a well-functioning digital economy is imperative for a well-functioning EU economy; whereas, however, the free movement of digital services is currently severely hindered by fragmented rules at national level, owing to which businesses face numerous barriers to selling across borders in the EU, mainly because of the different rules applying at Member State level in such areas as consumer protection, VAT, product-specific regulations and payment transactions; whereas it is necessary to call on the EU institutions to reinforce their commitment to removing the key regulatory obstacles to crossborder online transactions by 2015, and to call on the Commission to continue to propose targeted legislative action in order to address key impediments;

- S. whereas e-commerce allows consumers to benefit from lower prices and a wider choice, but 60 % of websites are currently unsuitable for crossborder online shoppers, and consumer and business confidence in the digital environment is still low;
- T. whereas access to reliable information and transparency should be enhanced, allowing consumers to compare not only prices but also quality and sustainability of goods and services online;
- U. whereas the fragmentation of the EU digital market endangers rights under the *acquis communautaire*, as consumers and businesses have little legal certainty as regards crossborder e-commerce, thanks to the existence of too many legal provisions setting divergent requirements, a circumstance which does not allow business operators, authorities or consumers to benefit from clear and enforceable rules;
- V. whereas most disputes are actually resolved out of court and the time periods conceded to ADR can be too short - an effective ODR system is required;
- W. whereas it is vital to overcome the legal fragmentation now existing in a number of areas, in order to achieve a complete and real Digital Single Market;
- X. whereas e-commerce and online services encourage the development of a sustainable single market, through the use of low-carbon and environment-friendly technologies, standards, labels, products and services;

A Digital Single Market for growth and employment

1. Stresses that in times of economic and financial crisis it is essential to take measures to stimulate growth and create employment, and emphasises that completing the Digital Single Market would be a crucial step forward in terms of achieving this goal; calls on the Commission, therefore, to implement its plan for the launching and completion of the Digital Single Market; highlights the fact that the digital single market is the easiest way for businesses and citizens to reap the benefits of the single market;
2. Welcomes the Commission's new communication on e-commerce and online services, published on 11 January 2012, which aims to develop a coherent framework for e-commerce via the building of trust and the extension of e-commerce and online services to the B2B, B2C, C2C and G2G sectors; calls on the Commission to report by the end of 2012 on the progress made on the 16 'Main Actions' as set out under the five priority areas of the communication;
3. Welcomes the Commission's new communication on 'a Single Market Act II', which includes key actions to support the development of a European digital economy; emphasises the need to fully reap the benefits of the Digital Single Market;
4. Calls on the Commission to implement, develop, and effectively follow up its action plan for facilitating crossborder access to online products and content, and, to this end, to supply a roadmap for the implementation of a transversal plan ensuring the development of the Digital Single Market and the promotion of long-term growth, competitiveness and job creation while adapting the European economy to the challenges of today's global economy;

5. Stresses that fragmentation and lack of legal certainty are primary concerns in the Digital Single Market, and that inconsistent enforcement of rules in Member States needs to be dealt with in order to increase choice for consumers; considers that fragmentation is also partly due to the poor or late transposition of directives by Member States, a factor which should be subject to more rigorous scrutiny by the EU institutions;
6. Stresses that all relevant new single market legislation should be submitted to a Digital Single Market Test; invites the Commission to examine the viability of implementing such a test within its impact assessment framework, so as to ensure that it neither hinders the development of the Digital Single Market nor gives rise to additional obstacles or fragmentation for offline and online commerce;
7. Welcomes the Commission's announcement of a new notice and action scheme, and recalls in this context that under the e-commerce directive, information society service providers have a duty to act under certain circumstances with a view to preventing or stopping illegal activities online;
8. Agrees with the Commission that the current legal framework provided by the e-commerce directive requires no review; underlines, however, the need for further clarification with a view to the implementation of notice-and-action procedures to deal with illegal content;
9. Highlights the need to modernise and facilitate the procedures for recognition of professional qualifications, and to extend the scope for automatic recognition beyond the professions currently covered, targeting in particular the new professions needed by green and digital industries; notes that this will facilitate the mobility of highly skilled workers;
10. Emphasises the importance of developing a European cloud computing strategy, given its potential for EU competitiveness, growth and job creation; stresses that cloud computing, since it involves minimal entry costs and low infrastructure requirements, represents an opportunity for the European IT industry, and, especially, for SMEs, to develop and become leaders in areas such as outsourcing, new digital services and data centres;
11. Notes the importance of the link between the e-commerce directive and the Internal Market Information System;

SMEs

12. Stresses that SMEs form the backbone of the European economy, and that it is therefore vital to develop an action plan for their integration into the Digital Single Market; also stresses the urgent need for all European SMEs to have broadband access; emphasises that taking advantage of the possibilities of the digital economy and the Digital Single Market through innovation and the smart use of ICT would be of great help in enabling SMEs to exit the present crisis and create growth and employment;
13. Supports the Commission's determination to strengthen and facilitate the development of ICT infrastructure in order to bridge the digital divide; recalls that the development of ICT infrastructure impacts positively on social cohesion, economic growth and competitiveness in the EU, as well as on communication, creativeness and citizens' access to education and information; welcomes the initiatives within the framework of the programmes for regional and rural development, as well as the initiatives of the EIB for improving the integration of rural areas into ICT infrastructures;

14. Underlines the fact that eliminating remaining legal barriers to e-commerce, providing businesses with the necessary information and skills, and offering them the necessary tools to develop their business online more easily and effectively are crucial to achieving the goal of creating growth and employment;
15. Stresses that achieving a fully operational Digital Single Market requires a coordinated effort to ensure that all citizens, regardless of their age, location, education or gender, have access to the internet and the necessary skills to use it;
16. Insists that digital competences are crucial for the development of a competitive Digital Single Market, and that all Europeans should be empowered with the appropriate digital skills; stresses the crucial nature of the commitment to reducing digital literacy and competence gaps by half by 2015;
17. Calls, accordingly, on the Commission and the Member States to develop such an action plan, to be based on promoting of the integration of SMEs into the digital value chains by taking measures and initiatives encouraging the smart use of ICT for innovation and competitiveness and the development of e-skills, as well as making more information available on the advantages and potential of the internet economy, e.g. via the European e-Business Support Network (eBSN), while also providing financial support for innovative SMEs, among other actions;
18. Stresses the importance of developing a strategy to boost digital entrepreneurship in Europe, promote training for online traders and encourage SME development programmes focusing on innovative and dynamic SMEs from all sectors so as to ensure high growth potential and innovation and create new jobs in Europe, while also enhancing consumer trust, as well as developing new niche markets for SMEs which would not otherwise exist;
19. Calls on the Commission and the Member States to implement the existing legislation in order to tackle barriers which hinder the growth of SMEs, such as high market entry costs, cost of building brand awareness in multiple countries, and IT system limitations;
20. Calls on the Commission and the Member States to introduce measures aimed at offering financial support to innovative SMEs, through existing programmes such as the Competitiveness and Innovation Programme (CIP), the new Programme for the Competitiveness of Enterprises and SMEs (COSME), and the Research and Innovation Programme 'Horizon 2020', or through the creation of specific programmes, as well as the proposed regulation on venture capital funds;
21. Considers that, alongside consistent deployment of ICT, it is essential for the development of the Digital Single Market to promote ICT research excellence and foster public and private investment in high-risk, collaborative ICT research and innovation; stresses that Europe should be at the cutting edge in the development of internet technologies and standards; proposes that under the upcoming financial perspective and the Horizon 2020 programme there should be a substantial increase in the EU's ICT research budget;

Overcoming the remaining barriers in the Digital Single Market

22. Supports the possibility of collaborating with research centres; welcomes the Commission's plans to promote public and private investment in telecommunications networks as part of the Connecting Europe Facility (CEF), and underlines the importance of the sustained

launch of the trans-European digital network for economic growth and competitiveness in the EU;

23. Notes that the rapid deployment of ultra-fast broadband is crucial for Europe's global competitiveness, the development of European productivity and the emergence of new and small enterprises that can be leaders in different sectors, for example healthcare, manufacturing and the services industry;
24. Calls for specific measures to be taken to ensure that SMEs can fully enjoy the potential of broadband in the fields of e-commerce and e-procurement; calls on the Commission to support Member States' initiatives to develop e-skills in SMEs and to stimulate innovative, internet-based business models through the Competitiveness and Innovation Programme (CIP) and its future successor, the Programme for the Competitiveness of Enterprises and SMEs (COSME);
25. Calls on the Commission to identify the existing barriers to crossborder delivery services, and to take appropriate actions to address them, taking account of the findings of the new study that has been conducted and in a way that will allow both businesses and consumers to fully benefit from the Digital Single Market; stresses that such factors as accessibility, reliability, speed of delivery, friendly service, an efficient and transparent returns system, and lower prices of crossborder delivery services are best promoted by free and fair competition, so as not to hinder crossborder trade and to increase consumer trust; considers that crossborder delivery services should not just be based on physical borders, but, where feasible, should also take account of the distance from the consumer; considers it essential to ensure innovative forms of delivery allowing greater flexibility in terms of choosing a time or place of collection or a possible pick-up point with no additional costs attached; believes it is crucial to consider measures guaranteeing reasonably priced delivery to more remote or outlying areas;
26. Recalls the need for an integrated policy approach regarding the completion of the single market in transport for all modes (including road cabotage, rail freight, etc) and environmental legislation, in order to avoid inefficiencies in the supply chain or unnecessary cost increases for both distance sellers and e-commerce customers;
27. Calls on the Member States and the Commission to reduce administrative burdens by making it possible to use the system either of the country of the seller or the country of the buyer, in order to avoid duplication of procedures and confusion as to which rules apply, for both online retailers and online consumers;
28. Calls on the Commission to find solutions to the difficulties experienced by SMEs in relation to handling returns and shipping infrastructure problems, and to reduce the costs involved in the crossborder resolution of complaints and conflicts;
29. Stresses that, as website content can be roughly machine-translated quite easily, an added advantage of the digital world is that it can help break down language barriers in the single market;
30. Stresses the importance to consumers of efficient delivery, better feedback on delivery, and receiving products on time, all of which factors are identified as top concerns of consumers in the latest Consumer Conditions Scoreboard;

31. Calls on the Commission and the Member States to examine the possibilities of simplifying and standardising VAT rules in the context of crossborder online transactions; points out that the existing European VAT framework is a barrier to the development of new digital services, and that encouraging companies to develop and offer new Europe-wide online services should be a priority in the revision of the VAT rules; considers that digitally distributed cultural, journalistic or creative content should be subject to the same VAT rate as the equivalent product in a physical format or offered offline, in order to avoid market distortion; calls on the Commission and the Member States to seize the opportunity offered by the 2015 changes to the VAT rules in order to create and extend a 'European One-Stop Shop' for e-commerce, at least for SMEs;
32. Calls on the Commission to propose a revision of Directive 2006/112 in order to introduce a new category of electronically provided cultural content services which would benefit from a reduced rate of VAT; suggests that cultural works and services sold online - such as digital books - should benefit from the same preferential treatment as comparable products in traditional form such as paperbacks, and should therefore be subject to a reduced VAT rate; considers, in this context, that the application of the reduced VAT rate for digital publications could encourage the development of legal offers and significantly boost the attractiveness of digital platforms;
33. Calls on the Commission, in its review of VAT legislation, to address the anomaly of the possible application of reduced VAT rates to printed books and other cultural content but not to identical goods available in electronic format;
34. Welcomes the Commission's green paper on card, internet and mobile payments; calls on the Commission and the Member States to develop and implement appropriate measures with a view to achieving a fully and effectively integrated, competitive, innovative, neutral and safe EU regulatory framework for online and mobile payments;
35. Emphasises the importance of addressing micropayments and the high administrative costs often incurred when paying small amounts; notes the increasingly widespread use of payment via mobile phones, smartphones and tablets, and believes this calls for new responses;
36. Stresses that micropayments are increasingly used to pay for media and cultural content online, and considers this a useful tool in ensuring that rights holders are remunerated;
37. Points out that domestic and crossborder multilateral interchange fees (MIFs) in the Single Euro Payments Area (SEPA) vary significantly between Member States; believes that both domestic and crossborder multilateral interchange fees in the SEPA should be harmonised in order to allow consumers to benefit from the single market; calls on the Commission to conduct an impact assessment, by the end of 2012, on setting a cap for MIFs and progressively reducing it; calls on the Commission to propose a regulation harmonising MIFs and progressively decreasing them so that they are aligned with real costs by the end of 2015; believes that surcharges, rebates and other steering practices should also be phased out, thus paving the way for a more transparent European single market for payments;
38. Emphasises that privacy and data security are major concerns among consumers and tend to discourage them from buying online; considers it necessary to adapt the existing data protection legislation to new challenges and innovations in the area of present and future technological developments, e.g. cloud computing;

39. Recognises the economic and social potential which cloud computing has demonstrated thus far, and calls on the Commission to adopt initiatives in this area in order to reap the benefits of such technology once it is more fully developed; acknowledges, however, the many technical and legal challenges arising from the development of cloud computing;
40. Recognises the major potential of cloud computing, and calls on the Commission to propose without delay a European strategy on the matter;
41. Calls on the Commission to enforce the Data Breach Notification provisions in the telecoms package, and to make those provisions available for all consumers in Member States;
42. Recalls the provisions in the Universal Service and Users' Rights Directive under which telecoms operators should oblige internet service providers to deliver public service messages to all their customers; calls on the Commission to monitor the issue of how many telecoms regulators are complying with these rules, and to report back to Parliament on the matter;
43. Welcomes, therefore, the Commission's proposed new data protection regulation, highlights the need to give citizens better control over the processing of their personal data, and stresses the need to approve and implement a new regulation on the subject in a form that, while protecting privacy and safeguarding fundamental rights, guarantees legal certainty, and allows sufficient flexibility to companies to enable them to develop their business without taking on huge costs while also offering them a simplification and reduction of administrative burdens whilst maintaining strong commitments to adhering to the obligations already in place;
44. Welcomes the Commission's proposal for a legal framework for the collective management of copyright and related rights with a view to ensuring better accountability, transparency and governance of collective rights management societies, establishing efficient dispute resolution mechanisms, and clarifying and simplifying licensing; believes it essential that internet users are provided with clear and understandable information about which personal data are to be gathered, for what purpose, and for how long, with a view to strengthening users' rights and bolstering their confidence in the internet; emphasises that legal certainty and clarity and a very high level of data protection must be assured when reviewing the data protection acquis; welcomes the announcement of a general European strategy on the issue of cloud computing for 2012 and, in particular, expects matters of jurisdiction, data protection and areas of responsibility to be clarified in this regard;
45. Believes firmly that the protection of privacy not only constitutes a core value of the European Union but, in addition, plays a central role in promoting the necessary user confidence in the digital environment that will enable full development of the Digital Single Market; welcomes, therefore, the Commission's proposals for adapting the Data Protection Directive to the current digital environment, thereby promoting the innovative character of the online environment and boosting the development of promising new technologies such as cloud computing;
46. Reiterates that a global approach is essential when addressing challenges such as data protection and piracy; encourages, in this regard, close cooperation between the EU and the Internet Governance Forum;

47. Requests clarification regarding the obligation of internet service providers to act in compliance with the EU legislation on data protection and competition, with intellectual property rights protection and with e-Commerce Directive¹ and the Telecoms Package² when dealing with and/or gathering data within the EU, irrespective of where these data are stored and/or processed; considers that a higher level of transparency regarding the identification of internet service providers should play a key role in fostering consumer confidence, and will also encourage best practice in this area and constitute a key criterion for the creation of a European trustmark;
48. Recalls that under Article 5 of Directive 2000/31/EC, providers of online services are obliged to clearly indicate their identity, and that compliance with this requirement is vital to ensuring consumer confidence in e-commerce;
49. Calls on the Commission to modernise the legal framework for intellectual property rights in the context of completion of the Digital Single Market, and to propose and rapidly implement the European Strategy for Intellectual Property Rights with a view to adaptation to the online reality of the 21st century; looks forward to the Commission's proposals for legal tools in this area, such as legislation to simplify the collective management of copyright in Europe and a directive on Enforcement of IPR and Fight Against Counterfeiting and Piracy; further believes that innovative business models and different licensing structures need to be considered and further developed, in order to increase availability while also maintaining copyright and ensure rightholders' remuneration;
50. Emphasises the importance of a harmonised approach to exceptions and limitations in the field of copyright, as well as harmonised statutory exceptions in the area of trademarks and patents - for the benefit, in many cases, of researchers and developers - given that the aim is to facilitate the development, deployment and consumer uptake of new and innovative services and ensure the legal certainty for research teams, innovators, artists and users that is required if a flourishing European digital environment is to emerge;
51. Points to the need to continue working on the regulatory harmonisation of intellectual property rights, whilst respecting citizens' rights and freedoms, in order to facilitate the completion of the Digital Single Market;
52. Calls on the Commission to propose agreed sector-specific solutions that respect copyright, ensure fair remuneration for authors, and promote public access to a wide range of lawful cultural products;
53. Urges the Commission to accelerate its preparatory work on a legislative proposal regarding 'collective rights management', with a view to ensuring better accountability, transparency and governance of collective rights management societies, establishing efficient dispute resolution mechanisms, and clarifying and simplifying licensing systems in the music sector;

¹ Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce in the internal market (OJ L 178, 17.7.2000, p. 1).

² Directive 2009/136/EC of the European Parliament and of the Council of 25 November 2009 (OJ L 337, 18.12.2009, p. 11) and Directive 2009/140/EC of the European Parliament and of the Council of 25 November 2009 (OJ L 337, 18.12.2009, p. 37).

54. Stresses that micropayments are becoming increasingly important in terms of paying for media and cultural content online, but that there is still scope to further optimise ease of use, and sees this as a useful tool in ensuring that creators are remunerated since they make legal content accessible to the public in an affordable way; considers, therefore, micropayments to be an effective means of combating illegal content; emphasises, however, that problems associated with online payment systems, such as lack of interoperability and high costs of micropayments for consumers, need to be tackled with a view to developing simple, innovative and cost-effective solutions that are of benefit to consumers and digital platforms; emphasises that expanding the legal range of online cultural content at affordable prices will succeed in reducing illegal platforms in the long term;
55. Emphasises that new and expanding internet technologies and online services have increased demand for audiovisual and other cultural and creative digital content, and provide new and innovative ways of customising and enriching supply, particularly among young people; notes, however, that there is currently insufficient legal supply to meet this demand, which circumstance motivates users to access illegal content; believes that innovative business models and different licensing structures need to be considered in order to increase availability; calls for better exploitation of digital technologies, which should constitute a springboard for both differentiation and multiplication of legitimate offers, thereby maintaining consumer confidence and growth whilst ensuring that artists are remunerated fairly and proportionately;
56. Strongly supports measures both at Member State and European level to prevent product counterfeiting and product piracy on the internet;
57. Welcomes the proposals for increasing availability and developing legal online content services, but highlights the need for a modernised and more harmonised EU copyright at Union level; emphasises, therefore, the need for a copyright law which provides the appropriate incentives, ensures balance and keeps abreast with modern technology; considers that the encouragement, promotion and sustainability of multiterritorial licensing in the digital single market should, above all, be facilitated by market-driven initiatives in response to consumer demand; calls on the Commission, accordingly, to implement the IPR strategy initiatives without delay;
58. Condemns strongly all discrimination against customers on grounds of nationality and residence, recalling Article 20(2) of the services directive (2006/123/EU), and calls on the Commission and the Member States to ensure the full implementation of that directive;

Building confidence and trust in the Digital Single Market

59. Stresses that the consumer rights directive marked an important step forward in terms of increasing legal certainty for consumers and businesses in online transactions, and today constitutes the main consumer protection instrument for online services; calls on the Member States to ensure its effective and rapid implementation; calls for a code of good practice for online businesses, and supports the proposals for model contracts in this regard; believes that implementation of the CRD would form an important part of model contracts, while existing retail practices would also need to be respected; furthermore, calls on the Member States to decide whether - in the long run - they favour the full harmonisation of single market legislation or a second national regime; in the latter case, encourages the Member States to step up their efforts to constructively advance dossiers such as the

Common European Sales Law, with a view to facilitating crossborder trade in the EU to the benefit of consumers and businesses alike;

60. Believes that the recently proposed regulation on a Common European Sales Law, which could be agreed on by contracting parties as an alternative to national sales law regulations, has great potential for countering the fragmentation of the single market and making internet business more accessible and legally reliable for consumers and businesses alike;
61. Recalls that Member States also have a role to play in terms of ensuring the rapid and non-bureaucratic implementation of the EU rules, in order to make consumers' rights a reality;
62. Calls on the Commission and the Member States to develop and give adequate resources to effective instruments such as the Consumer Protection Cooperation (CPC) network, in order to ensure that online traders apply the EU rules on transparency and unfair commercial practices, thus affording a high level of consumer protection;
63. Stresses the need for initiatives in the Member States to improve e-skills among the general public; notes the importance of equipping EU citizens with digital skills in order to help them take full advantage of the benefits of being online and participating in the digital society;
64. Calls on the Commission to include a consumer accessibility element in terms of implementing a barrier-free environment and a full range of accessible services for people with disabilities in all Digital Single Market policies, in order to ensure that all citizens' groups have access to and can fully benefit from the Digital Single Market;
65. Stresses the need for initiatives in the Member States to improve e-skills among the general public, especially among the socially disadvantaged and also with particular attention being given to older people in order to promote the notion of active ageing;
66. Recognises the importance of a European charter of users' rights that would clarify the rights and obligations of citizens in the information society;
67. Stresses the importance of fomenting the creation of transparent and trustworthy price comparison websites which can be accessed in various languages, as a means of increasing consumer trust in crossborder trade;
68. Stresses the need to create a European Trustmark, which would guarantee that a business operating online fully respects EU law; it should be simple and well-structured, and should be rich with content that provides added value for e-commerce, thus boosting confidence and transparency, as well as legal certainty for both consumers and businesses, and should provide information in a form compliant with the existing, non-legally binding W3C standards, in the interests of people with disabilities;
69. Stresses, furthermore, the need for an integrated approach in order to improve consumer confidence as regards accessing legal crossborder online services;
70. Stresses the urgent need for the EU to provide business and consumers with confidence and the means to trade online in order to increase crossborder trade; calls, therefore, for the simplification of licensing systems and the creation of an efficient framework for copyright;

71. Welcomes the Commission's initiative addressing the obstacles to the completion of the digital single market, most importantly the barriers inhibiting the development of legal crossborder online services; stresses, furthermore, the need to improve consumer confidence as regards accessing legal crossborder services; emphasises that the Digital Single Market will allow citizens to have access, throughout the EU, to all forms of digital content and services (musical, audiovisual, video games);
72. Shares the Commission's view that the online single market is being hampered in reaching its full potential largely because of the existence of a patchwork of different legal provisions and barely 'interoperable' standards and practices;
73. Welcomes the Commission's legislative proposals on Alternative Dispute Resolution (ADR) and Online Dispute Resolution (ODR), and underlines the importance of their effective adoption to help resolve complaints and conflicts cross-border; also stresses the need for these mechanisms to be made widely known to consumers and traders so that they can reach the desired level of practical effectiveness; recalls the importance of an effective redress mechanism as a means of ensuring that consumers can pursue their rights, while stressing that citizens should be better informed of the details of such a mechanism and other problem-solving tools; believes this should enhance crossborder purchases of goods and services and contribute to the removal of the remaining bottlenecks that are hampering growth and innovation, particularly within the Digital Market, and which are currently holding the single market back from realising its full potential; stresses that the existence of the online dispute resolution platform for domestic and crossborder e-commerce will increase consumers' trust in the Digital Single Market;
74. Recognises the need to create ways of enhancing citizens' trust and confidence in the online environment and to guarantee the protection of personal data and privacy and freedom of expression and information, including the removal of the geographical, technical and organisational barriers now affecting redress mechanisms; views the speedy and cost-effective settlement of disputes, particularly in relation to online transactions, as a central requirement for user confidence; therefore welcomes the Commission's proposals in relation to the extrajudicial settlement and online settlement of disputes under consumer law and the announced legislative initiative for the settlement of disputes between businesses;
75. Notes the Commission's proposals for measures for cooperation with payment services to combat unauthorised or illegal content; stresses that any cooperation with private parties should be firmly grounded in a legal framework characterised by respect for data privacy, consumer protection, right of redress and access to justice for all parties; emphasises that the first step must be the effective implementation of 'notice action' measures ensuring respect for the fundamental right to a fair trial before an independent and impartial tribunal established by law, unequivocally and for all; stresses that all operators, including payment providers and advertisers, have a role to play in the fight against unauthorised and illegal content;
76. Strongly welcomes the new Commission communication on a 'Strategy for a Better Internet for Children'; encourages the Commission, the Member States and the industry to promote the use of new technological developments for education and for the protection for minors, and to cooperate closely and efficiently in order to deliver a safe internet for minors; calls on the Commission and the Member States to support projects for literacy and familiarisation as regards digital technologies, to be targeted on adults responsible for

education and training and for the future of new generations, so as to make them aware of the opportunities and risks that ITC represents for children and minors while also helping reduce the technological divide between generations; calls on the Commission and Member States to develop information technology training programmes regarding consumer rights, obligations and risks in connection with the internal digital market;

77. Urges stakeholders to commit to responsible advertising towards minors, in particular by refraining from aggressive and misleading TV and online advertising and by respecting and fully implementing existing codes of conduct and similar initiatives;
78. Considers it necessary to support the digitisation of educational and cultural works in as many official EU languages as possible, in order to offer valuable and useful content to the public;
79. Stresses the importance of establishing clear principles for regulating relations with third countries' digital markets, especially as regards Union-level projects such as the digitisation of the world cultural heritage;
80. Calls on the Commission to ensure that the rules on selective distribution are properly applied, in order to avoid abuses and discrimination;
81. Calls on the Commission to propose legislation to ensure net neutrality;
82. Points out that more competition and transparency with regard to traffic management and quality of service, as well as ease of switching, are among the minimum necessary conditions to ensure net neutrality; reiterates its support for an open internet where content and individual commercial services cannot be blocked; recalls the recent findings of the Body of European Regulators for Electronic Communications (BEREC), and considers that additional measures are needed to ensure net neutrality;
83. Re-emphasises the potential challenges arising from departures from network neutrality, such as anti-competitive behaviour, blockage of innovation, restriction of freedom of expression, lack of consumer awareness and infringement of privacy, as well as the fact that lack of net neutrality hurts businesses, consumers and society as a whole;
84. Calls on the Commission and the Member States to ensure free and fair competition online, by taking action against unfair B2B commercial practices, such as online restrictions, price controls and quotas;
85. Regards the further expansion of the broadband network and, in particular, the connection of rural, isolated and outermost areas to electronic communication networks, as a central priority; calls on the Commission, therefore, to check continuously and, if necessary, ensure by means of regulatory intervention that network neutrality is maintained and that internet providers are not hampered or hindered in accessing network infrastructure;

Setting up the basis for a more competitive and inclusive Europe

86. Calls on the Member States to strengthen and facilitate the development of information and communications infrastructures, since, while all Member States have a national broadband strategy, only a few have a fully-fledged operational plan which includes the targets required to fully realise the flagship initiative for a digital agenda for Europe as laid down in

the Europe 2020 strategy; welcomes the new ‘Connecting Europe Facility’ initiative, since it will be crucial for the effective implementation of the Digital Agenda for Europe targets set for 2020 promising broadband access for all, and the intermediate objective of every EU citizen having access to a basic internet connection by 2013;

87. Stresses that internet services are offered on a crossborder scale, and that, accordingly, they require concerted action in line with the Digital Agenda for Europe; points out that a European market with nearly 500 million people connected to high-speed broadband would act as a spearhead for the development of the internal market; stresses the need to connect the digital agenda with the provision of new services such as e-trade, e-health, e-learning, e-banking and e-government services;
88. Stresses the importance for the development of the European Digital Single Market of continuing efforts aimed at providing ubiquitous and high-speed access for all consumers, through the promotion of fixed and mobile internet access and the deployment of next-generation infrastructures; emphasises that this requires policies that promote access on competitive terms; urges the Commission and the Member States to provide new impetus to the European fast and ultra-fast broadband strategy by updating the relevant targets;
89. Emphasises the potential value for consumers and businesses of the digital switchover of public services, and calls on Member States to develop national plans to that effect, which should include targets and measures for making all public services accessible online by 2015; recognises that high-speed networks are a prerequisite for the development of online services and for economic growth; calls on the Commission to develop world-leading digital agenda targets in order to ensure that Europe becomes the global leader in internet speed and connectivity; invites the Member States to further develop national broadband plans and adopt operational plans with concrete measures to implement the ambitious broadband targets, and underlines the strategic and crucial importance of the instruments proposed by the Commission in the Connecting Europe Facility;
90. Regrets that the EU is lagging behind with regard to fibre-based internet connections; calls on the Member States and the Commission, therefore, to accelerate the spread and adoption of ultra-high-speed broadband, and calls for a European strategy for the large-scale deployment of FTTx (‘fibre to the x’);
91. Calls on the Member States to draw up cyberincident contingency plans in order to cope with cyberdisruptions or cyberattacks having crossborder implications, including critical information infrastructure plans at both European and national level, and also to develop strategies for a more resilient and reliable infrastructure; stresses that international cooperation in this area should be intensified; recalls that network and information security is the responsibility of all stakeholders, including users at home, service providers and product developers; recommends encouraging cybersecurity-related training and education for both citizens and professionals;
92. Emphasises that the internet is increasingly being used on mobile devices, and calls for action to ensure increased radio spectrum availability for the mobile internet and improve the quality of the e-services provided on those mobile devices; stresses that the future allocation of radio spectrum must pave the way for European leadership in wireless applications and new services, in order to boost Europe’s growth and global competitiveness;

93. Notes that both fixed and mobile data traffic are growing exponentially and that a number of actions, such as further harmonised spectrum allocations for wireless broadband, increased spectrum efficiency and the rapid rollout of next-generation access networks, will be crucial for managing this increase;
94. Notes that assessing the need to open up the 700 MHz band for mobile data traffic is a necessary first step towards meeting future capacity requirements;
95. Welcomes the new Commission communication on e-procurement, published on 20 April 2012; stresses that e-procurement will simplify the way procurement is conducted, provide transparency, reduce burdens and costs, increase the participation of SMEs, and deliver better quality and lower prices;
96. Welcomes the Commission's legislative proposal for a regulation on electronic identification and trust services for electronic transactions in the internal market, which will strengthen trust and convenience in the context of a secure digital environment, and, by covering the mutual recognition and acceptance at EU level of notified electronic identification schemes, has the potential to enable secure and seamless electronic interactions between businesses, citizens and public authorities, thereby increasing the effectiveness of public and private online services, e-business and electronic commerce in the EU; stresses the importance of e-signatures and the mutual recognition of eIDs at the European level, so as to ensure legal certainty for European consumers and businesses; underlines the importance of simultaneously ensuring both EU-wide interoperability and the protection of personal data
97. Points out that the public sector's use of information and communication technologies is the cornerstone for the development of the digital and knowledge society, and therefore urges the Commission and the Member States to further develop secure and effective e-services; notes, particularly where e-identification and e-signatures are concerned, that crossborder interoperability is a prerequisite for the adoption of crossborder e-invoicing solutions;
98. Recalls that in its resolution of 20 April 2012 on 'a competitive digital single market – e-government as a spearhead', Parliament stressed the importance for the facilitation of mass adoption of factors including legal certainty, a clear technical environment, and open and interoperable e-invoicing solutions based on common legal requirements, business processes and technical standards; calls on the Commission to assess the need for uniform, open Union-wide standards for e-identification and e-signatures; notes that the major obstacles to crossborder access to the electronic services provided by public administrations are linked to the use of electronic signatures and identification and to the problem of non-compatibility of e-government systems at EU level; welcomes the Commission's proposal for a regulation on electronic identification and trust services for electronic transactions in the internal market;

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99. Instructs its President to forward its position to the Council, the Commission and the national parliaments.