DIGITAL AGENDA FOR EUROPE

The widespread, rapid and extensive development of digital service platforms, as well as debates on public data spaces and new technologies such as artificial intelligence, affect all areas of our society. Many new ways to communicate, shop and access information online have been integrated into our daily lives and are constantly evolving. The European digital agenda for the decade 2020-2030 addresses these issues by focusing on creating secure digital spaces and services, creating a level playing field in digital markets with large platforms and strengthening Europe’s digital sovereignty, while contributing to the European goal of climate neutrality by 2050.

LEGAL BASIS

While the Treaties do not contain any special provisions for Information Communication Technologies (ICTs), the EU may take relevant actions within the framework of sectoral and horizontal policies, such as: industrial policy (Article 173 of the Treaty on the Functioning of the European Union (TFEU)); competition policy (Articles 101, 109 TFEU); trade policy (Articles 206, 207 TFEU); the trans-European networks (TENs) (Articles 170, 172 TFEU); research and technological development and space (Articles 179 and 190 TFEU); energy policy (Article 194 TFEU); the approximation of laws for improving the establishment and the functioning of the internal market (Article 114 TFEU); the free movement of goods (Article 26 and Articles 28-37 TFEU); the free movement of people, services and capital (Articles 45 and 66 TFEU); education, vocational training, youth and sport (Articles 165 and 166 TFEU); and culture (Article 167 TFEU).

OBJECTIVES

Following the Lisbon strategy, the 10-year digital agenda for Europe in 2010 identified for the first time the key enabling role of ICTs in reaching Europe’s goals. In 2015, the digital single market strategy developed the digital agenda further, setting out specific provisions based on three pillars that aimed at ensuring a fair, open, and secure digital environment: 1) providing better access for consumers and businesses to digital goods and services across Europe; 2) creating the right conditions for digital networks and services to flourish; and 3) maximising the growth potential of the digital economy.

In 2020, the second five-year digital strategy - shaping Europe's digital future - focused on three key objectives in digital: technology that works for people, a fair and competitive economy and an open, democratic and sustainable society. In 2021, the
strategy was complemented by the 10-year digital compass: the European way for the digital decade, which puts the EU's digital ambitions for 2030 into concrete terms.

ACHIEVEMENTS

A. The first digital agenda for Europe: 2010-2020

The first digital agenda focused on better access to digital goods and services for consumers and businesses across Europe, by providing the EU with an advanced system of user rights and protection for consumers and businesses, including:

— Lower prices for electronic communications (Regulation (EU) 2022/612) and the end of roaming charges on 14 June 2017 (‘Roam Like At Home’);

— Better internet connectivity for all with comprehensive basic broadband coverage, mainly owing to developments in mobile and satellite broadband to develop gigabit connectivity for all main socioeconomic drivers;


In order to create the conditions needed for digital networks and services to flourish, the European Parliament strengthened the Body of European Regulators for Electronic Communications, which provides cooperation between national regulators and the Commission, promotes best practices and common approaches, and harmonises regulation on communications in the single market (Regulation (EU) 2018/1971).

The strategy aimed at maximising the growth potential of the digital economy by promoting digital skills and high-performance computing, digitising industry and services, developing artificial intelligence (AI) and modernising public services. New rules on geo-blocking (Regulation (EU) 2018/302) and the portability of digital services (Regulation (EU) 2017/1128) were adopted to allow consumers to also access online content services purchased in one Member State while visiting another.

In addition to the new regulatory frameworks on data protection mentioned above, the EU has taken a number of steps to facilitate the development of a data-agile economy, such as:

— The Regulation on the free flow of non-personal data (Regulation (EU) 2018/1807), allowing companies and public administrations to store and process non-personal data wherever they choose;

— The Cybersecurity Act (Regulation (EU) 2019/881), strengthening the EU Agency for Cybersecurity (ENISA) and establishing a cybersecurity certification framework for products and services;

The second digital agenda focused on profound changes introduced by digital technologies, the essential role of digital services and markets, and new EU technological and geopolitical ambitions. Based on two strategic communications, namely, *shaping Europe's digital future* and *Europe's digital decade*, the Commission set out the specific actions it will undertake to aid the creation of safe and secure digital services and markets. Furthermore, the development of quantum computing, *a blockchain strategy*, and a *trade policy based on blockchain*, human centric and trustworthy AI, semiconductors (European Chips Act), digital sovereignty, *cybersecurity*, gigabit connectivity, 5G and 6G, European data spaces and infrastructure, as well as setting global technology standards, are all priorities for the current decade. On 9 March 2021, the EU proposed a digital compass (COM(2021)0118) with four digital targets to be achieved by 2030:

— Skills: At least 80% of all adults should have basic digital skills and there should be 20 million ICT specialists employed in the EU, while more women should take up such jobs;

— Businesses: 75% of companies should use cloud computing services, big data and AI; more than 90% of EU small and medium-sized enterprises should reach at least a basic level of digital intensity; and the number of EU unicorns should double;

— Infrastructure: All EU households should have gigabit connectivity and all populated areas should be covered by 5G; the production of cutting-edge and sustainable semiconductors in Europe should make up 20% of worldwide production; 10 000 climate-neutral highly secure edge nodes should be deployed in the EU, and Europe should have its first quantum computer;

— Public services: All key public services should be available online; all citizens will have access to their e-medical records, and 80% of citizens should use an electronic identity solution.

The *digital Europe programme*, established by Regulation (EU) 2021/694, is a new EU funding programme for digital technology with a planned overall budget of EUR 7.5 billion for the 2021-2027 period that will provide strategic funding to support projects in five areas: supercomputing, AI, cybersecurity, advanced digital skills and ensuring a wide use of digital technologies across the economy and society, including through Digital Innovation Hubs. The fund will be complemented by other EU programmes, such as *Horizon Europe*, the *connecting Europe facility for digital infrastructure*, the *recovery and resilience facility* and the Structural Funds Facility. In the context of the economic recovery from the COVID-19 pandemic, Member States must allocate at least 20% of their recovery funds to projects that digitalise their economies and societies (Regulation EU 2021/694).

As indicated in the *White Paper on Artificial Intelligence* released in February 2020, AI is deemed to play a pivotal role and is expected to bring multiple societal and economic benefits to a wide range of sectors. In October 2020, the European Parliament adopted three resolutions on AI covering *ethics*, *civil liability* and *intellectual property*, asking the Commission to establish a comprehensive and future-proof European legal framework.
of ethical principles for the development, deployment and use of AI, robotics and related technologies. On 21 April 2021, the European Commission released its proposal for a new Artificial Intelligence Act (COM(2021)0206), enshrining in EU law a technology-neutral definition of AI systems and adopting a different set of rules tailored on a risk-based approach. The draft report on the proposal, jointly prepared by the Committee on the Internal Market and Consumer Protection (IMCO) and the Committee on Civil Liberties, Justice and Home Affairs (LIBE), was published on 20 April 2022. Moreover, in September 2022, the Commission published a proposal for a directive on adapting non-contractual civil liability rules to artificial intelligence (an ‘AI liability directive’) to ensure that people harmed by AI systems enjoy the same level of protection as those harmed by other technologies in the EU. Finally, to further safeguard consumers, the Commission published a proposal on a new product liability directive, which, amending the 1985 directive on this matter, will address new digital products (such as AI) and products in the circular economy.

Data sharing is the second main axis the new European digital agenda is based on. While pursuing data-based innovation, the EU intends to safeguard the balance between the free flow of data and the preservation of privacy, security, safety and ethical standards. This includes examining ways to use and share non-personal data in order to develop new profitable technologies and business models. In this regard, in February 2020, a European strategy for data was published together with the White Paper on AI. The first pillar of the European strategy for data is the European Data Governance Act (Regulation (EU) 2022/868). The Act was published in the Official Journal of the EU on 3 June 2022, entered into force on 23 June 2022, and will apply from September 2023. The European Data Governance Act aims to increase data availability, reusability, and trust in data sharing. Furthermore, on 23 February 2022, the Commission published a proposal on harmonised rules on fair access to and use of data (the Data Act), which will provide the second pillar of the European strategy for data. When adopted, the Data Act will enhance accessibility to data for both businesses and consumers. On 26 January 2022, the Commission proposed a declaration on European digital rights and principles, aimed at promoting a human-centred digital transition based on European values. Data is considered an essential resource for societal progress in general, and for economic growth, competitiveness, innovation, and job creation in particular. The creation of a European Data Space, the third pillar of the European strategy for data, is one of the 2019-2025 Commission’s priorities and it will include nine sectors: health, the environment, energy, agriculture, mobility, finance, manufacturing, public administration, and skills. The EU will set up a European cloud as part of its NextGenerationEU plan based on Gaia-X, an open, transparent and secure digital ecosystem, where the free flow of data and services can be made available.

Another cornerstone of the digital strategy is the creation of a safer and more open digital single market, protecting users’ fundamental rights and establishing a level playing field for businesses. The package comprises two legislative initiatives: the Digital Services Act (DSA) and the Digital Markets Act (DMA), whose aim is to upgrade the rules governing digital services in the EU. Ever since being adopted by Parliament and the Council on 19 October 2022 and 14 September 2022 respectively, the DSA and the DMA complete the digital single market through a coherent set of new rules.
applicable across the whole EU. Indeed, the DSA sets out clear responsibility and accountability rules for providers of intermediary services and, in particular, online platforms, such as social media and marketplaces. Very large online platforms will be subject to specific obligations due to the particular risks they pose in the dissemination of both illegal and harmful content. The DSA sets out the rules on what companies with ‘gatekeeper’ status will be allowed to do in the EU. The regulation will apply to major companies providing so-called core platform services, which are the most prone to unfair practices. The status of gatekeepers has been given, inter alia, to online intermediation services, social networks, search engines, operating systems, online advertising services, cloud computing, and video-sharing services.

Building on the DSA, in November 2022, the Commission published a proposal on facilitating data collection and sharing pertaining to short-term accommodation rental services, whose file was assigned to Parliament’s IMCO Committee. A final plenary vote is expected to take place on this in October 2023.

The digital agenda also lays sizeable emphasis on e-government and cross-border cooperation within the public sector. On 18 November 2022, the Commission issued a proposal on an interoperable Europe act, which aims to assist the EU and its Member States in delivering better public services to citizens and businesses. An interoperable Europe board will be created and it will be composed of representatives from the EU Member States, the Commission, the Committee of the Regions and the European Economic and Social Committee. Among other things, the COVID-19 pandemic served as motivation to speed up the development of European interoperability, which was epitomised in the EU Digital COVID Certificate. The draft regulation was accompanied by a communication (COM(2022)710) by the Commission to disseminate the importance of improved cross-border interoperability and cooperation in the public sector.

On 10 November 2022, in light of the ongoing Russian aggression against Ukraine, the Commission and the High Representative released a joint communication (JOIN(2022)49) on an EU Cyber Defence Policy, alongside an Action Plan on Military Mobility 2.0. The new cyber defence policy will boost investments in cyber defence, thereby tightening cooperation between military and civilian cyber communities. It will lead to efficient cyber crisis management within the EU and help reduce the EU’s strategic dependencies in critical cyber technologies, while strengthening the European Defence Technological Industrial Base (EDTIB).

Building trust in the online environment is key to social and economic development and hence a further priority. The Regulation on electronic identification and trust services for electronic transactions in the internal market (Regulation (EU) No 910/2014) is a milestone creating a predictable regulatory environment helping citizens, businesses and public authorities carry out secure electronic interactions. Making further steps forward toward these goals, the Commission published a proposal on amending the Digital Identity Regulation (COM(2021)281), aiming to enable at least 80% of people to safely use a digital identity to access key public services across EU borders by 2030.

In addition to consistent regulation across the single market, the EU is also placing a focus on educating its citizens in the use of digital technologies. The digital education
**action plan (2021-2027)** is a renewed EU policy initiative to support the sustainable and effective adaptation of the educational and training systems of EU Member States to the digital age. To achieve these objectives, the action plan sets out two priority areas: fostering the development of a high-performing digital education ecosystem and enhancing digital skills and competences for the digital transformation.

In a communication (**COM(2020)0784**) from December 2020, the Commission articulated its action plan to support the recovery and transformation of the European media and audio-visual sector, tackling long-standing issues, such as market fragmentation. The action plan also stresses the need for the EU and Member States to increase national support for funds made available via approved national recovery plans. The action plan mentions the disruptive impact of global online platforms on the media sector and the need to address the hegemony of these platforms on data and advertising markets.

The **European democracy action plan** goes hand in hand with the media and audio-visual action plan, which aims to help the sector recover and make the most of the digital transformation. The former also addresses the deterioration of media freedom, as physical and online threats against journalists have been on the rise in several Member States. The digital economy and society index (DESI) is a set of indicators tracking the digital progress of EU countries in realising the single European digital market. Each year, DESI country profiles support Member States in identifying areas requiring priority action. The new indicators have been adjusted to include the recovery and resilience facility and the digital compass.

**ROLE OF THE EUROPEAN PARLIAMENT**

Parliament advocates robust and advanced resolutions on digital policies and has been very active in the adoption of legislative acts in the area. It has also helped to keep the focus continuously on digital subjects, through own-initiative reports, oral and written questions to the Commission, studies, workshops, opinions and resolutions, as well as through calls for greater coordination of national efforts for the development of pan-European services and EU support for digital research and development.

Parliament systematically consolidates these guarantees through legislation. It is at the forefront in removing obstacles within the digital single market and modernising EU policies for today’s digital and data products and services in order to maximise the digitalisation of the European services sectors, which leads to employment opportunities. It aims at boosting cross-border commerce, harmonising digital contract rules, guaranteeing affordable cross-border parcel delivery services, supporting the free flow of non-personal data and implementing simpler VAT declaration procedures. Parliament especially focuses on ensuring digital privacy for EU citizens, and on maintaining and adjusting a high level of consumer protection.

In its **resolution of 12 March 2019**, Parliament called on the Commission ‘to assess the need to further enlarge the scope of the Network and Information Security (NIS) Directive to other critical sectors and services that are not covered by sector-specific legislation’ and to respond to the growing threats posed by digitalisation. These efforts should be complemented by a strengthened common cybersecurity policy, which
includes a common European platform and an enhanced role for ENISA. After its adoption on 14 December 2022 by Parliament and the Council, the NIS2 Directive (EU) 2022/2555 replaced the previous Directive (EU) No 2016/1148. The new Directive obliges more entities and sectors to take measures to increase the level of cybersecurity in Europe, which will expand legislation to cover new sectors and entities, both public and private. Against this backdrop, on 15 September 2022, the Commission tabled a proposal for a cyber resilience act, which will bolster the security of more hardware and software products. The file was assigned to the IMCO Committee and a final vote is expected by June 2023.

As part of the European Action Plan for Democracy, the European Commission presented the Media Freedom Act on 16 September 2022, which is aimed at strengthening media pluralism and freedom in the European Union. The proposal seeks to address several problems affecting the internal market for media services, with the ultimate aim of strengthening the independence of the media. To that end, the LIBE Committee, in cooperation with the Committee on Culture and Education (CULT) and the IMCO Committee, organised two hearings on 31 January and 6 February 2023 to get an understanding of and discuss this proposal.

Another step towards strengthening the transparency of democratic processes is the regulation of political advertising, for example, in terms of clear labelling. The Commission published a proposal on this matter on 25 November 2021. In this light, the IMCO Committee organised a public hearing on 11 July 2022 to discuss the general transparency obligations for all actors involved in the financing, preparation, placement and dissemination of political advertising, both offline and online. Furthermore, on 26 January, the IMCO Committee adopted a report on the Commission’s proposal in cooperation with CULT and LIBE.

Parliament’s work on the digital transformation has been continuously supported by its Policy Department for Economic, Scientific and Quality of Life Policies through a series of studies and a workshop[1] with a focus on the existing challenges and opportunities. Of relevance for the DSA and DMA proposals, a study[2] specifically looked into the effects of targeted advertising on consumers and the advertising market. Further academic and market insights were obtained through a workshop[3] that explored the implications and deficiencies of the proposals in their current form, as well as through a hearing with the Facebook whistleblower Frances Haugen (who exposed the malpractices of Big Tech). In February 2022, a study[4] on the impact of influencers on advertising and consumer protection in the single market was also published by Parliament’s Policy Department for Economic, Scientific and Quality of Life Policies, investigating the extent to which influencers are responsible for spreading.

misleading information and promoting unsafe products. In August 2022, the same policy department published a study[5] elaborating on how new technologies may be used to enhance product safety and hence foster consumer protection, highlighting potential opportunities and threats.

Regarding AI, the IMCO and LIBE Committees held a joint public hearing in March 2022. Its objective was to address the main issues concerning the Commission’s proposal for an AI Act (COM(2021)0206).

For more information on this topic, please see the website of the Committee on Internal Market and Consumer Protection.

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