



European Commission

#DSM

Digital Single Market

A Digital Single Market for the benefit of all Europeans

November 2018

TOWARDS A MORE UNITED, STRONGER AND MORE DEMOCRATIC UNION



'I believe that we must make much better use of the great opportunities offered by digital technologies, which do not know any borders. To do so, we will need to have the courage to break down national silos in telecoms regulation, in copyright and data protection legislation, in the management of radio waves and in the application of competition law. That way, we can ensure that consumers can access services, music, movies and sports events on their electronic devices wherever they are in Europe.'

Candidate for President of the European Commission Jean-Claude Juncker, Political Guidelines for the next Commission, 15 July 2014



legislative initiatives presented by the Juncker Commission

19

have been adopted by the European Parliament and the Council of the European Union

11

legislative initiatives are still on the table for the European Parliament and the Council of the European Union to adopt

CREATING A DIGITALLY CONNECTED EUROPE

It is a priority for the Juncker Commission to provide our citizens with the best possible access to the online world and the skills to build a digital future for Europe.

Demand for wireless connectivity using smart phones and future 5G devices is continuously growing. Mobile traffic will grow eight fold in the next five years.

Before the Juncker Commission

High roaming prices for using your phone abroad in Europe. In 2007: over €0.50 per minute for a voice call, €0.28 for an SMS and €6000 per GB of data.

Under the Juncker Commission

Europeans do not pay roaming charges when travelling within the EU.



70% of Europeans are already seeing the benefits from the **end of roaming charges**.

Before the Juncker Commission

Europeans cannot use their online subscriptions while they travel. Streaming of their favourite TV show might be blocked abroad.

Many people in remote areas do not have access to good internet connections.

Radio spectrum waves are the basis for Wi-Fi, mobile phones and other wireless devices. Their use is not well coordinated across Europe.

Spectrum-enabled services are worth around €500 billion a year to the European economy.

A fragmented market and delays left Europe lagging behind in 4G connection for several years.

Difficulties for many citizens in dealing with public administrations online, especially when they work, live or do business in another EU country.

Under the Juncker Commission



From 1 April 2018, Europeans can access their online subscriptions to films, sports events, e-books, video games or music services while travelling to another Member State.



Around €29 billion in investment in the digital sector is set to be triggered thanks to the support of the European Fund for Strategic Investments (EFSI). In addition, €14 billion under the European Structural and Investment Funds is being invested in digital technologies.

Local communities could apply for #Wifi4EU vouchers to set up free public Wi-Fi hotspots: The first call took place on 7 November 2018. A further three more calls will be organised by 2020.

Better spectrum coordination will increase the value of spectrum-enabled services to €1 trillion a year by 2023.



Europe will be able to successfully launch 5G connections thanks to better spectrum coordination, granting high-speed mobile internet access to everyone and new services such as connected cars, remote health care, smart cities or video streaming on the move across the continent.



The 'Single Digital Gateway' will provide one entry point for online administrative procedures for citizens and businesses. With the support of the European Parliament and Member States, this could be a reality by 2020.

BREAKING DOWN DIGITAL BARRIERS FOR CONSUMERS AND BUSINESSES

In the online world the EU's four freedoms — the free movement of goods, capital, services and labour — are not yet a reality. The Juncker Commission is tackling these problems.

Before the Juncker Commission

In 2015 only 12% of EU retailers sold online to consumers in other EU countries, while 37% sold online in their own country.

Only 15% of consumers made online purchases from another EU country, while 44% did so from their own country.

Consumer rights were not adapted to the digital age.

Under the Juncker Commission

Over 122,000 more businesses are expected to start selling to consumers in other Member States, thanks to an improved legal framework.



Updated consumer protection rules and proposed digital contract rules will:

- grant consumers more rights in the online world;
- give consumers confidence when buying online and from different Member States.

Before the Juncker Commission

Consumers are **geoblocked** from accessing goods and services online in other countries, for example requiring payment with a debit or credit card from a specific country only.

20 million people who live in the EU were born in a different EU Member State from the one they are resident in now. They often cannot access **audiovisual content** from their home countries.

Students and teachers are eager to use digital materials and technologies for learning, but almost a quarter of teachers face **copyright**-related restrictions in their digital teaching activities.

Newspapers, magazines and other press publications have benefited from the shift from print to digital and online services like social media and news aggregators. It has led to broader audiences, but it has also impacted advertising revenue and made the licensing and enforcement of the rights in these publications increasingly difficult.

26 million blind and visually impaired people in Europe are limited in their access to culture because the formats they need are not readily available.

Prices charged for **delivery of small parcels** to another Member State are often up to five times higher than domestic prices, without a clear correlation to the real costs.

62% of companies that wish to sell online say that high delivery costs are a problem.

Companies and public administrations face difficulties in storing and processing **non-personal data** (e.g. traffic, weather) in different EU countries.

This stops SMEs and start-ups from entering new markets across borders and scaling up, and leads to the costly duplication of data storage facilities.

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As of December 2018, the **new rules against unjustified geoblocking** will ensure that consumers can buy online in another EU country with equal treatment.



New rules will make it easier for broadcasters to enrich their online offers across borders, granting people better choice and **access to content across borders** and allowing European culture to flourish. Currently negotiated by European Parliament and the Council, the new rules will apply by 2020.



By 2020 there will be **copyright exemptions for research**, education and heritage preservation so that students, teachers and cultural institutions such as museums, libraries and cinemathèques can fully benefit from the available digital material.



We aim to reinforce the **position of rights holders** to negotiate and be remunerated for the use of their content on online platforms. Such platforms will have an obligation to deploy effective means such as technology to automatically detect songs or audiovisual works which rights holders have identified and agreed with the platforms either to authorise or remove. The European Parliament and the Council are currently in negotiations.



New rules allow special formats of print material — such as braille or Daisy — to be made and disseminated for people with print disabilities. People who are blind, visually impaired or otherwise print-disabled are able to access more books and other print material, including adapted audio books and e-books, in accessible formats — across the European Union and the rest of the world.



Higher price transparency and increased regulatory oversight will incite lower prices, allow consumers and small businesses to take informed decisions, and **make parcel delivery more affordable**.

This has the potential to:

- increase cross-border e-commerce by more than 4%;
- increase the number of firms selling online across borders by more than 6% and the volume of online trade by 5%.



A single set of rules will make it easier to do business across borders in the EU, as cross-border data storage and processing becomes easier and follows one single set of rules all across the EU. Now that the European Parliament and the Council of the EU agreed on the new rules, Member States have 6 months to apply them.

Lower costs for data services and greater flexibility for companies could boost EU GDP by up to €8 billion/year

Before the Juncker Commission

Supercomputers are needed to process ever larger amounts of data and bring benefits to society in many areas, from health care and renewable energy to car safety and cybersecurity. However, today, compared to its competitors from China, Japan or the United States, Europe is clearly underinvesting in high-performance computing, with a funding gap of €500-750 million per year. As a result, European scientists and industry increasingly process their data outside the EU.

1 million EU businesses are dependent on **online platforms** to reach their customers. When issues emerge in the platform-to-business relations, they affect negatively businesses' sales and trust in the online economy. Nearly half of business users (46%), especially small ones, experience problems with online intermediation services throughout their business relationship. 1 out of 5 businesses experiences problems often.

Artificial intelligence (AI) can bring major benefits to our society and economy, such as better healthcare, safer transport, a more competitive industry and sustainable farming. To reap all the benefits of AI we will need substantial investments, for example in research and development and in deployment of AI but also in skilling and re-skilling of citizens. Access to high quality data without unjustified obstacles is another important precondition.

Recent figures show that digital threats are evolving fast: ransomware attacks have increased by 300% since 2015. According to several studies, the economic impact of **cybercrime** rose fivefold from 2013 to 2017, and could further rise by a factor of four by 2019. Evidence suggests that people from around the world identify cyber-attacks from other countries among the leading threats to national security.

Under the Juncker Commission



€1 billion will be invested jointly with Member States to build a **world-class European supercomputer infrastructure**. 25 European countries have undertaken to pool EU and national resources in order to develop top-of-the-range exascale supercomputers in Europe.

The Regulation establishing the European High Performance Computing Joint Undertaking was adopted in November 2018, setting up the EuroHPC Joint Undertaking which will enable the pooling of EU and national resources in High Performance Computing.



New rules for platform-to-business relations based on

- transparency and dispute resolution mechanism.
- Increased innovation opportunities for businesses using online platforms or search engines.
- Greater trust and regulatory predictability for the online economy.
- Better scale-up perspectives for EU platforms.
- A new EU Observatory monitoring, anticipating and solving issues in the online platforms economy.



The Commission started working with Member States to have a **coordinated action on artificial intelligence** by the end of the year. The main aim is to maximise the impact of investment at the EU and national levels, encourage cooperation across the EU (especially facilitating the use of artificial intelligence in small and medium sized enterprises), exchange best practices, and define the way forward together, to ensure the EU's global competitiveness in the sector.

Based on the EU's Charter of Fundamental Rights, ethical guidelines on artificial intelligence will be developed by the end of 2018 in close cooperation with all relevant stakeholders. The guidelines will also take into account principles such as data protection and transparency, and build on the work of the European Group on Ethics in Science and New Technologies.



The **EU's cybersecurity package** to scale up EU's response to cyber attacks is a wide-ranging set of measures to build strong cybersecurity in the EU, including a proposal for an EU Cybersecurity Agency and a proposal on European Network of Cybersecurity Competence Centre which will enable the EU to better coordinate its response to large scale cybersecurity incidents and crisis. Member States and the European Parliament are currently negotiating these proposals.

Before the Juncker Commission

The internet has grown enormously – nearly 1.3 billion websites allow 3.7 billion users daily to exchange information, trade and interact with unparalleled intensity. Disinformation is a long existing phenomenon. While online platforms have brought many benefits, they also allow false information to be produced, widely disseminated and promoted. According to Eurobarometer opinion poll 83 % of Europeans think **fake news** is a threat to democracy.

Under the Juncker Commission



In April 2018, the European Commission put forward an Action Plan and self-regulatory tools to tackle the spread and impact of **online disinformation** in Europe. The Commission will closely follow the progress made and analyse the first results of the Code of Practice by the end of 2018.

The High Representative and the Commission will present, in cooperation with the Member States, an action plan by December 2018 with specific proposals for a coordinated EU response to the challenge of disinformation, including appropriate mandates and sufficient resources for the relevant European External Action Service Strategic Communications teams.