

Shaping Europe's Digital Future

The European Commission has adopted a Communication outlining its ambitions for the digital sector for the future. The Commission is placing a lot of emphasis on a digital transformation that works for both citizens and businesses alike, presenting a European society powered by digital solution, boosting the development of technology in order to support a more sustainable economy. In launching the Communication, Commissioner for the Internal Market, Thierry Breton, has stated that SMEs and businesses should have the right to access data which transforms production and consumption, including by developing Artificial Intelligence applications.

It is clear that the Commission focuses on a European Society powered by digital solutions. This should provide businesses with a solid framework that allows them to start up, scale up, pool and use data, and to innovate, compete, and cooperate on fair terms.

The Communication focuses on three key objectives:

1. Technology that works for the people
2. A fair and competitive economy
3. An open, democratic and sustainable society

The Commission stresses that such a framework is needed in order for Europe to influence the way in which digital solutions are developed and used on a global scale.

Technology that works for the people

This section covers the development, deployment and uptake of technology that makes a difference to the day to day life of European citizens. It not only appeals for increased investment in innovation, but it also stresses the importance that citizens and businesses begin to accept the digital transformation and start trusting the secure use of digital applications and products. It stresses the need for regulation to ensure that Europe's vulnerability to malicious cyber activity is countered by boosting the capacity of law enforcement and judicial authorities to police such threats. The Commission aims to focus on the following actions to ensure its ambitions in this section are fulfilled:

- White Paper on Artificial Intelligence setting out options for a legislative framework for trustworthy AI (an MBB brief on this subject will follow soon)

- Building and deploying cutting-edge joint digital capacities in the areas of AI, cyber, super- and quantum computing, communication, and blockchain.
- Accelerating investments in Europe’s Gigabit connectivity through revising the Broadband Cost Reduction Directive
- An updated 5G and 6G Action Plan, including via a new Radio Spectrum Policy, and 5G corridors for connected and automated mobility
- The establishment of a joint Cybersecurity Unit
- A Digital Education Action Plan to boost digital literacy and competences at all levels of education, including via a reinforced Skills Agenda and Youth Guarantee
- An initiative to improve the conditions of platform workers
- A reinforced EU governments interoperability strategy.

A Fair and Competitive Economy

For this objective, the Commission is aiming for a frictionless single market, where all companies across all sectors can compete on equal terms. This will allow them to develop, market and use digital technologies, products and services at a scale that boosts their productivity and global competitiveness.

The Commission acknowledges that SMEs have been slow to take up digital solutions and have missed opportunities as opposed to larger companies. The Commission will seek to address this issue with a new Industrial Strategy, setting out actions to facilitate the transition. It explains that for SMEs to start up and grow, diverging local and national regulations need to be overcome, as they place unnecessary burdens on smaller companies. Clear and proportionate rules are needed that are enforced in the same way across the EU. Rules governing fair competition, the Single Market, consumer protection, intellectual property, taxation, worker’s rights, among others should apply offline and online. The Commission sets out the following key actions for this section:

- A European Data Strategy announcing a legislative framework for data governance and other actions to make Europe a global leader in the data economy
- An evaluation and review of the fitness of EU competition rules
- In the context of the Digital Services Act package, rules to ensure that markets dominated by huge players remain fair and contestable.
- An Industrial Strategy Package
- A framework to ensure competitive and secure Digital Finance, including legislative proposals on crypto assets, and integrated EU payments market
- Communication on Business Taxation for the 21st century aiming to address what the Commission defines as “tax challenges arising for the digitization of the economy.
- A new Consumer Agenda

An Open, Democratic and Sustainable Society

The third section specified the need to create a trustworthy environment in which citizens are empowered in how they act and interact and provide data online and offline. Key Actions in this section include:

- Rules to deepen the internal market for digital services by increasing and harmonizing the responsibilities of online platforms and information service providers and reinforce oversight over platforms' content policies as part of the Digital Services Act.
- Media and Audiovisual Action Plan to support digital transformation and competitiveness of the AV and Media Sector, to stimulate access to quality content and pluralism
- A circular electronics initiative, mobilizing existing and new instruments in line the policy framework for sustainable products of the forthcoming circular economy action plan.

Other actions include: a European Democracy Action Plan; the promotion of electronic health records based on a common European exchange format; a White Paper on an instrument on foreign subsidies; a Digital innovation Hub mobilizing expertise and technologies in digitization; a strategy for standardization; and a Global Digital Cooperation Strategy.

The Malta Business Bureau shall keep monitoring developments and update the Maltese businesses community accordingly.

Full text of the Communication: https://ec.europa.eu/info/sites/info/files/communication-shaping-europes-digital-future-feb2020_en_4.pdf

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