Towards a digital single market act

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The Committee on Industry, Research and Energy adopted, jointly with the Committee on Internal Market and Consumer Protection, the own-initiative report presented by Kaja KALLAS (ALDE, FI) and Evelyne GEBHARDT (S&D, DE), entitled 'Towards a Digital Single Market Act', as a follow-up to the digital single market strategy for Europe presented by the Commission.

The Committees on Employment and Social Affairs, Culture and Education, Legal Affairs, Civil Liberties, Justice and Home Affairs, exercising their prerogatives as an associated committee under Parliament's Rule 54 of the Rules of Procedure were consulted to give an opinion on the report.

The need for a digital single market: the report stated that Europe must use the great potential of the information and communications technology (ICT) sector to digitise the industry and maintain global competitiveness. It called on the Commission to identify and dismantle barriers affecting e-commerce in order to build a genuine cross-border e-commerce market.

Cross-border e-commerce rules that consumers and business can trust: Members welcomed the Commission's undertaking to adopt a strong proposal on online contracts covering digital content purchased online and to improve consumers' legal protection in this sphere. The report noted that the Commission is planning a Regulatory Fitness and Performance Programme (REFIT) of the whole consumers acquis for 2016. The Commission is also called upon to assess the feasibility, usefulness and potential opportunities and weaknesses created by the introduction of sector-specific **EU trustmarks for online sales** as well as to work towards the timely and correct implementation of the EU-wide online dispute resolution (ODR) Regulation.

Affordable high-quality cross-border parcel delivery: the report noted that accessible, affordable, efficient and high-quality delivery services are an essential prerequisite for thriving cross-border e-commerce. It called on the Commission and the Member States to actively share best practices in the parcel delivery sector, and to propose a **comprehensive action plan**, including guidelines for best practices, in cooperation with operators, to find innovative solutions to improve services, lower costs and the environmental impact, and to propose if necessary a revision of the relevant legislation.

Preventing unjustified geo-blocking: the report considered that ambitious, targeted actions are needed to improve access to goods and services, in particular by **ending unjustified geo-blocking** practices and unfair price discrimination based on geographical location or nationality which often have the effect of building monopolies and of consumers resorting to illegal content. Members welcomed the Commission's proposal to enhance portability and interoperability in order to stimulate the free circulation of legally acquired, and legally available, content or services, as a first step towards bringing an end to unjustified geo-blocking.

Reducing VAT-related burdens and obstacles when selling across borders: Members stressed that in order to prevent market distortion, tax avoidance and tax evasion and to create a true European Digital Single Market, more coordination on taxation is needed, requiring inter alia the establishment of an EU-wide Common Consolidated Corporate Tax Base (CCCTB). In this regard, they welcomed the adoption of the review of the payment services directive and stressed that if the Union is to enhance EU-wide e-commerce, pan-EU instant e-/m-payments under a common standard and the appropriate implementation of the review of the payment services directive must be achieved without delay.

Role of online platforms: the Commission is urged to examine whether potential issues related to online platforms could be resolved by proper and full implementation of existing legislation and effective enforcement of EU competition law in order to ensure a level playing field and fair and effective competition between online platforms and to avoid the creation of monopolies. Members also called on the Commission and the Member States to support the further development of the **sharing economy** by identifying artificial barriers and relevant legislation hindering its growth.

Reinforcing trust and security in digital networks: a harmonised response from the EU and its Member States with a view to ensuring a high level of network and information security is needed. Members stated that providing security on the internet entails the protection of networks and critical infrastructure, ensuring the ability of law enforcement agencies to fight crime, including terrorism, violent radicalisation and sexual abuse and sexual exploitation of children online. Security, together with protection of fundamental rights in cyberspace, is crucial to reinforcing trust in digital services and is therefore a necessary basis for establishing a competitive digital single market.

Building a data economy: Members emphasised the opportunities that new ICT technologies such as Big Data, cloud computing, 3D-printing and other technologies can bring to the economy and society. They also highlighted the opportunities offered by energy sector digitalisation, with smart meters, smart grids and data hubs for more efficient and flexible **energy production**.

Digital skills and expertise: highlighting that the mismatch between supply and demand with regard to skills is a problem for the development of the digital economy, Members called on the Commission, as a matter of urgency, to develop a skills strategy which can tackle this shortage. They proposed using appropriations from the Youth Employment Initiative to support associations (grassroots movements) which teach disadvantaged young people digital skills. Media and internet literacy should also be promoted.

E-government: Members stated that the development of e-administration is a priority for innovation. They urged the Commission to lead by example in the field of e-government and to develop, together with the Member States, an ambitious and comprehensive **e-government action plan** based on the “once only principle”, whereby citizens and businesses should not be asked for information already provided to a public authority, whilst ensuring citizens' privacy and a high level of data protection.