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#### **TEXTS ADOPTED**

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### P8\_TA-PROV(2016)0009

# **Towards a Digital Single Market Act**

European Parliament resolution of 19 January 2016 on Towards a Digital Single Market Act (2015/2147(INI))

The European Parliament,

- having regard to the Commission communication entitled 'A Digital Single Market Strategy for Europe' (COM(2015)0192) and the accompanying Commission staff working document (SWD(2015)0100),
- having regard to the Commission communication of 2 July 2014 entitled 'Towards a thriving data-driven economy' (COM(2014)0442),
- having regard to Decision (EU) 2015/2240 of the European Parliament and of the Council of 25 November 2015 establishing a programme on interoperability solutions and common frameworks for European public administrations, businesses and citizens (ISA² programme) as a means for modernising the public sector¹,
- having regard to the Commission communication entitled 'Unleashing the potential of crowdfunding in the European Union' (COM(2014)0172),
- having regard to the annex to the Commission communication entitled 'Regulatory Fitness and Performance (REFIT): results and next steps' (COM(2013)0685),
- having regard to the proposal for a Regulation of the European Parliament and of the Council laying down measures concerning the European single market for electronic communications and to achieve a Connected Continent, and amending Directives 2002/20/EC, 2002/21/EC and 2002/22/EC and Regulations (EC) No 1211/2009 and (EU) No 531/2012 (COM(2013)0627),
- having regard to the Commission staff working document of 23 April 2013 entitled 'E-commerce action plan 2012-2015 – State of play 2013' (SWD(2013)0153),
- having regard to the proposal for a Regulation of the European Parliament and of the Council on measures to reduce the cost of deploying high-speed electronic communications networks (COM(2013)0147),

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<sup>&</sup>lt;sup>1</sup> OJ L 318, 4.12.2015, p. 1.

- having regard to the proposal for a Directive of the European Parliament and of the Council concerning measures to ensure a high common level of network and information security across the Union (COM(2013)0048),
- having regard to the Commission communication of 18 December 2012 entitled 'On Content in the Digital Single Market' (COM(2012)0789),
- having regard to the proposal for a Directive of the European Parliament and of the Council on the accessibility of public sector bodies' websites (COM(2012)0721),
- having regard to the Commission communication of 10 October 2012 entitled 'A stronger European industry for growth and economic recovery' (COM(2012)0582),
- having regard to the Commission communication of 3 October 2012 entitled 'Single Market Act II Together for new growth' (COM(2012)0573),
- having regard to the Commission communication of 13 April 2011 to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions entitled 'Single Market Act: Twelve levers to boost growth and strengthen confidence' (COM(2011)0206),
- having regard to the Commission communication of 27 October 2010 to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions entitled 'Towards a Single Market Act: For a highly competitive social market economy – 50 proposals for improving our work, business and exchanges with one another' (COM(2010)0608),
- having regard to the proposal for a Directive of the European Parliament and of the Council amending Directive 2006/116/EC of the European Parliament and of the Council on the term of protection of copyright and related rights (COM(2008)0464),
- having regard to Regulation (EU) 2015/758 of the European Parliament and of the Council of 29 April 2015 concerning type-approval requirements for the deployment of the eCall in-vehicle system based on the 112 service and amending Directive 2007/46/EC<sup>1</sup>,
- having regard to Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC<sup>2</sup>,
- having regard to Regulation (EU) No 283/2014 of the European Parliament and of the Council of 11 March 2014 on guidelines for trans-European networks in the area of telecommunications infrastructure and repealing Decision No 1336/97/EC<sup>3</sup>,
- having regard to Directive 2014/26/EU of the European Parliament and of the Council of 26 February 2014 on collective management of copyright and related rights and

<sup>&</sup>lt;sup>1</sup> OJ L 123, 19.5.2015, p. 77.

OJ L 257, 28.8.2014, p. 73.

<sup>&</sup>lt;sup>3</sup> OJ L 86, 21.3.2014, p. 14.

multi-territorial licensing of rights in musical works for online use in the internal market<sup>1</sup>,

- having regard to Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010<sup>2</sup>,
- having regard to Directive 2013/37/EU of the European Parliament and of the Council of 26 June 2013 amending Directive 2003/98/EC on the re-use of public sector information<sup>3</sup> (PSI Directive),
- having regard to Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR)<sup>4</sup>,
- 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<sup>5</sup>,
- having regard to Decision No 243/2012/EU of the European Parliament and of the Council of 14 March 2012 establishing a multiannual radio spectrum policy programme<sup>6</sup>,
- 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 Council<sup>7</sup>.
- having regard to Regulation (EU) No 1211/2009 of the European Parliament and of the Council of 25 November 2009 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Office<sup>8</sup>,
- having regard to Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market<sup>9</sup>,
- 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 sector<sup>1</sup>,

<sup>&</sup>lt;sup>1</sup> OJ L 84, 20.3.2014, p. 72.

OJ L 348, 20.12.2013, p. 129.

<sup>&</sup>lt;sup>3</sup> OJ L 175, 27.6.2013, p. 1.

<sup>&</sup>lt;sup>4</sup> OJ L 165, 18.6.2013, p. 1.

<sup>&</sup>lt;sup>5</sup> OJ L 95, 15.4.2010, p. 1.

<sup>&</sup>lt;sup>6</sup> OJ L 81, 21.3.2012, p. 7.

OJ L 304, 22.11.2011, p. 64.

<sup>&</sup>lt;sup>8</sup> OJ L 337, 18.12.2009, p. 1.

<sup>&</sup>lt;sup>9</sup> OJ L 376, 27.12.2006, p. 36.

- having regard to Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases<sup>2</sup>,
- having regard to the First evaluation of Directive 96/9/EC on the legal protection of databases,
- 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 data<sup>3</sup>, including the amendments brought by Regulation (EC) No 1882/2003,
- having regard to the agreement of 28 September 2015 on 5G partnership between China and the European Union and related agreements,
- having regard to its resolution of 9 July 2015 on the implementation of Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society<sup>4</sup>,
- having regard to its resolution of 9 June 2015 on 'Towards a renewed consensus on the enforcement of Intellectual Property Rights: An EU Action Plan's,
- having regard to its resolution of 10 March 2015 on the Annual Report on EU Competition Policy<sup>6</sup>,
- having regard to its resolution of 27 November 2014 on supporting consumer rights in the digital single market<sup>7</sup>,
- having regard to its resolution of 27 February 2014 on private copying levies<sup>8</sup>,
- having regard to its resolution of 4 February 2014 on an integrated parcel delivery market for the growth of e-commerce in the EU<sup>9</sup>,
- having regard to its resolution of 15 January 2014 on reindustrialising Europe to promote competitiveness and sustainability 10,
- having regard to its resolution of 10 December 2013 on unleashing the potential of cloud computing in Europe<sup>11</sup>,
- having regard to its resolution of 10 December 2013 on the evaluation report regarding BEREC and the Office<sup>1</sup>,

<sup>1</sup> OJ L 201, 31.7.2002, p. 37.

<sup>2</sup> OJ L 77, 27.3.1996, p. 20.

<sup>3</sup> OJ L 281, 23.11.1995, p. 31.

<sup>4</sup> Texts adopted, P8\_TA(2015)0273.

<sup>5</sup> Texts adopted, P8 TA(2015)0220.

<sup>6</sup> Texts adopted, P8\_TA(2015)0051

<sup>7</sup> Texts adopted, P8\_TA(2014)0071.

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Texts adopted, P7\_TA(2014)0179. 9

Texts adopted, P7\_TA(2014)0067.

<sup>10</sup> Texts adopted, P7\_TA(2014)0032.

<sup>11</sup> Texts adopted, P7\_TA(2013)0535.

- having regard to its resolution of 24 October 2013 on the implementation report on the regulatory framework for electronic communications<sup>2</sup>,
- having regard to its resolution of 22 October 2013 on misleading advertisement practices<sup>3</sup>,
- having regard to its resolution of 12 September 2013 on the Digital Agenda for Growth, Mobility and Employment: time to move up a gear<sup>4</sup>,
- having regard to its resolution of 4 July 2013 on completing the digital single market<sup>5</sup>.
- having regard to its resolution of 11 June 2013 on a new agenda for European Consumer Policy<sup>6</sup>,
- having regard to its resolution of 22 May 2013 on the implementation of the Audiovisual Media Services Directive<sup>7</sup>,
- having regard to its resolution of 11 December 2012 on completing the Digital Single Market<sup>8</sup>,
- having regard to its resolution of 11 September 2012 on the online distribution of audiovisual works in the European Union<sup>9</sup>,
- having regard to its resolution of 12 June 2012 on critical information infrastructure protection – achievements and next steps: towards global cyber-security<sup>10</sup>,
- having regard to its resolution of 20 April 2012 on a competitive digital single market eGovernment as a spearhead<sup>11</sup>,
- having regard to its resolution of 21 September 2010 on completing the internal market for e-commerce<sup>12</sup>,
- having regard to its resolution of 15 June 2010 on internet governance: the next steps <sup>13</sup>,
- having regard to its resolution of 5 May 2010 on a new Digital Agenda for Europe: 2015.eu<sup>14</sup>,
- having regard its resolution of 15 June 2010 on the Internet of Things<sup>1</sup>,

<sup>1</sup> Texts adopted, P7\_TA(2013)0536.

<sup>2</sup> Texts adopted, P7 TA(2013)0454.

<sup>3</sup> Texts adopted, P7\_TA(2013)0436.

<sup>4</sup> Texts adopted, P7\_TA(2013)0377.

<sup>5</sup> Texts adopted, P7 TA(2013)0327.

<sup>6</sup> Texts adopted, P7\_TA(2013)0239.

<sup>7</sup> Texts adopted, P7\_TA(2013)0215.

<sup>8</sup> OJ C 434, 23.12.2015, p. 2.

<sup>9</sup> OJ C 353 E, 3.12.2013, p. 64.

<sup>10</sup> OJ C 332 E, 15.11.2013, p. 22.

<sup>11</sup> OJ C 258 E, 7.9.2013, p. 64.

<sup>12</sup> OJ C 50 E, 21.2.2012, p. 1.

<sup>13</sup> OJ C 236 E, 12.8.2011, p. 33.

<sup>14</sup> OJ C 81 E, 15.3.2011, p. 45.

- having regard to the Charter of Fundamental Rights of the European Union, as incorporated into the Treaties by Article 6 of the EU Treaty,
- having regard to Article 9 of the United Nations Convention on the Rights of People with Disabilities (UN CRPD), ratified by the EU on 23 December 2010 (2010/48/EC),
- having regard to the Convention on the Protection and Promotion of the Diversity of Cultural Expressions adopted by the United Nations Educational, Scientific and Cultural Organisation (UNESCO) on 20 October 2005,
- having regard to Articles 9, 12, 14, 16 and 26 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the joint deliberations of the Committee on Industry, Research and Energy and the Committee on the Internal Market and Consumer Protection under Rule 55 of the Rules of Procedure,
- having regard to the report of the Committee on Industry, Research and Energy and the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on Employment and Social Affairs, the Committee on Culture and Education, the Committee on Legal Affairs, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Economic and Monetary Affairs and the Committee on Transport and Tourism (A8-0371/2015),
- A. whereas the rapidly evolving use of the internet and mobile communications has changed the way citizens, companies and their employees communicate, access information and knowledge, invent, consume, share, participate and work; whereas this has expanded and changed the economy, facilitating access by small and medium-sized companies to a potential customer base of 500 million customers within the EU, as well as to global markets, and allowing individuals the opportunity to develop new, entrepreneurial ideas and business models;
- B. whereas all Union policies and legislation in the area of the Digital Single Market should allow new opportunities for users and businesses and new innovative crossborder online services at competitive prices to emerge and grow, remove barriers between Member States and facilitate access for European businesses, in particular SMEs and start-ups, to cross-border market, as key for growth and employment in the EU, while recognising that these opportunities will inevitably involve structural changes and taking a holistic approach, including the social dimension, and the need for the digital skills gap to be quickly filled;
- C. whereas while 75 % of the value added by the digital economy comes from traditional industry, the digital transformation of traditional industry remains weak, with only 1,7 % of EU enterprises making full use of advanced digital technologies and only 14 % of SMEs using the internet as a sales channel; whereas Europe must use the great potential of the ICT sector to digitise the industry and maintain global competitiveness;

- D. whereas building a data economy depends heavily on a legal framework that encourages the development, curation, maintenance and augmentation of databases, and is therefore dependent on a legal framework that is innovation-friendly and practical;
- E. whereas in 2013 the market size of the sharing economy was around USD 3,5 billion worldwide, and today the Commission is forecasting a growth potential that goes over USD 100 billion;
- F. whereas a high and consistent level of consumer protection, empowerment and satisfaction necessarily entails choice, quality, flexibility, transparency, information, interoperability and an accessible, secure online environment with a high level of data protection;
- G. whereas creativity and innovation are the drivers of the digital economy, and whereas it is therefore essential to ensure a high level of protection of intellectual property rights;
- H. whereas 44,8 % of households in the EU<sup>1</sup> do not have access to fast internet, and current policies and incentives have failed to deliver adequate digital infrastructure, particularly in rural areas;
- I. whereas the regions in the EU are on very different levels when it comes to their digital connectivity, human capital, use of internet, integration of digital technology by businesses, and digital public services as shown by the Digital Agenda Scoreboard; whereas the regions which score low on these five indicators run the risk of missing out on the benefits of the digital era;

#### 1. INTRODUCTION: WHY WE NEED A DIGITAL SINGLE MARKET

- 1. Welcomes the Communication on 'A Digital Single Market Strategy for Europe'; considers that achieving a Digital Single Market, based on a common set of rules, could foster EU competitiveness, have positive effects on growth and jobs, relaunch the Single Market and make society more inclusive, offering new opportunities to citizens and businesses, especially by exchanging and sharing innovation, believes that the horizontal approach taken needs now to be strengthened in its implementation, including the timely adoption of the 16 initiatives, as the digital drivers affect each and every citizen and dimension of society and the economy;
- 2. Agrees with the Commission that the governance and timely delivery of the Digital Single Market is a shared responsibility of the European Parliament, the Council and the Commission; encourages the Commission to engage with societal and social stakeholders and to involve them in the decision-making process to the widest extent possible;
- 3. Believes that better regulation requires taking an approach to legislation that is digital by default, principle-based, and technologically neutral; in order to provide room for innovation, it requires an assessment of whether existing legislation, complementary non-regulatory actions and enforcement frameworks, following necessary consultations and impact assessments, are fit for purpose in the digital age, in light of new technologies and new business models, with the aim of overcoming legal fragmentation

Eurostat 2014: http://ec.europa.eu/eurostat/statisticsexplained/index.php/Information\_society\_statistics\_at\_regional\_level#People\_who\_nev er\_used\_the\_internet

- of the single market, reducing administrative burden, and boosting growth and innovation;
- 4. Considers that the trust of citizens and businesses in the digital environment is vital to fully unlocking innovation and growth in the digital economy; is convinced that reinforcing their trust, through data protection and security standards and a high level of consumer protection and empowerment, as well as up-to-date legislation for businesses, should be at the basis of public policy, while recognising that the business models of digital businesses are built on the trust of their users;
- 5. Points out that e-commerce generates EUR 500 billion per year in the European Union and is an important complement to offline trade, while providing consumers with greater choice, especially in remote areas, and SMEs with new opportunities; calls on the Commission to identify and dismantle barriers affecting e-commerce in order to build a genuine cross-border e-commerce market; believes that these barriers include lack of interoperability and common standards, lack of adequate information allowing consumers to make informed decisions, and inadequate access to enhanced cross-border payments;
- 6. Supports the Commission's plan to ensure that EU competition policy applies fully to the digital single market, as competition gives consumers more choice but will also provide a level playing field, and regrets that the current lack of a European digital framework has highlighted the failure to reconcile the interests of large and small providers;
- 7. Stresses the urgent need for the Commission and the Member States to promote a more dynamic economy that allows innovation to flourish and removes barriers for businesses, in particular innovative ones, SMEs, start-ups and scale-ups, so that they can access markets in a level playing field, through the development of e-government, a future-proof and integrated regulatory and non-regulatory framework, access to finance, including new funding models for EU start-ups, SMEs and civil society initiatives, and a long-term investment strategy in digital infrastructure, skills, digital inclusion, research and innovation; recalls that the basis of innovation-friendly policy that fosters competition and innovation should include the possibility for projects to access financing possibilities; calls upon the Commission, therefore, to ensure that crowdfunding can be done seamlessly across borders, and encourages the Member States to introduce incentives for crowdfunding;
- 8. Believes that the effects of digitalisation on health and safety at work need to be assessed and existing health and safety measures adapted accordingly; notes the possibility of accidents to which persons teleworking or crowdworking from home may be exposed; emphasises that work-related mental health problems such as burnout caused by constant accessibility and the erosion of traditional working time arrangements represents a serious risk for workers; calls on the Commission to arrange for a study to be produced on the spillover effects of digitalisation, such as greater labour intensity, on workers' psychological wellbeing and family life and on the development of cognitive abilities in children;
- 9. Calls on the Commission, in cooperation with the Member States, to further develop initiatives to boost entrepreneurship, particularly innovative business models that will help change the mind-set on how success is defined and promote an entrepreneurial and innovation culture; believes, in addition, that the diversity and specific attributes of the

- different national innovation hubs can be turned into a real competitive advantage for the EU on the global market, so they should be interconnected and innovative ecosystems where different sectors and businesses cooperate should be strengthened;
- 10. Is concerned about the different national approaches taken so far by the Member States on regulating the internet and the sharing economy; urges the Commission to take initiatives, in line with EU competences, to support innovation and fair competition, remove barriers to digital trade, and preserve economic and social cohesion and the integrity of the single market: calls on the Commission also to preserve the internet as an open, neutral, secured, inclusive, global platform for communication, production, participation, creation, cultural diversity and innovation, in the interest of citizens, consumers and the success of European companies globally;
- 11. Notes that the digital revolution affects every aspect of our societies, bringing about challenges and opportunities; believes that it has the potential to further empower citizens, consumers and entrepreneurs in ways not possible before; calls on the Commission to develop a policy that fosters active participation of citizens and allows them to benefit from the digital shift; calls further on the Commission to continue to assess how the digital revolution shapes European society;
- 12. Calls on the Commission to fight legal fragmentation by significantly increasing the coordination of its various DGs while drafting new regulation and strongly encouraging the Member States to ensure that the way they are implementing the regulation remains coherent;
- 13. Stresses the need for compliance with fundamental rights, in particular data protection legislation, by all initiatives developed under the Digital Single Market Strategy, while recognising the strategy's added value for the EU economy; recalls the importance of swift adoption of both the General Data Protection Regulation and the Data Protection Directive, in the interest of both data subjects and businesses; calls for a revision of the ePrivacy Directive to ensure the consistency of its provisions with the data protection package by the time the package enters into force;

# 2. BETTER ACCESS FOR CONSUMERS AND BUSINESSES ACROSS EUROPE TO THE DIGITAL SINGLE MARKET

#### 2.1. Cross-border e-commerce rules that consumers and business can trust

14. Welcomes 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; believes that any such improvements must be targeted and that differences between content, on the one hand, and tangible goods on the other should be carefully analysed; points out that while consumers who buy content on a tangible medium are protected by consumer protection laws, consumer rights when buying digital content online remain largely unregulated and unclear, particularly with regard to legal guarantees, defective content and specific unfair terms regarding digital content; highlights that the current classification of all digital content as services may raise concerns, as it may not conform to consumer expectations, since streaming service subscriptions are not distinguished from downloadable content purchases; agrees that consumers should enjoy an equivalent and future-proof level of protection regardless of whether they purchase digital content online or offline;

- 15. Believes that further harmonisation of the legal framework governing business-to-consumer online sales of digital content and tangible goods, irrespective of whether they are cross-border or domestic transactions, while maintaining the coherence of online and offline rules, avoiding a race to the regulatory bottom, closing legislative gaps and building upon existing consumer legislation, constitutes a practical\_and proportionate approach; emphasises that this should be done in a technology-neutral manner and not impose unreasonable costs for business;
- 16. Considers that the Commission's proposals for cross-border contract rules for consumers and businesses should avoid the risk of a growing disparity between the applicable legal standards for offline and online purchases, and believes that online and offline sales should be dealt with coherently and treated equally on the basis of the existing high level of consumer protection, as different legal standards might be perceived by consumers as a denial of their rights; insists that any new proposal should observe Article 6 of the Rome I Regulation, and points out that the Commission is planning a REFIT of the whole consumers acquis for 2016; calls on the Commission in this context to consider whether the Commission's planned proposal for tangible goods ought not to be launched at the same time as the REFIT;
- 17. Believes that contractual rules for digital content need to be principle-based in order to be technologically neutral and future-proof; stresses, furthermore, with regard to the Commission proposal in this area, the importance of avoiding inconsistency and overlap with existing legislation, as well as any risk of creating an unjustified legal divide in the long run between online and offline contracts and different distribution channels, also bearing in mind the consumer acquis REFIT;
- 18. Requests an 'Active Consumers' strategy to assess in particular whether consumer switching is facilitated in the online world, and whether action is needed to make consumer switching easier, in order to boost competition in online markets; points further to the need to ensure accessible e-commerce services through the whole value chain, including accessible information, accessible payment mechanisms and customer service;
- 19. Calls on the Commission to assess, together with stakeholders, the feasibility, usefulness and potential opportunities and weaknesses created by the introduction of sector-specific EU trustmarks for online sales, drawing on best practices of existing trustmark schemes in the Member States in order to engender consumer trust and quality, particularly in relation to cross-border online sales, and to end the possibly confusing large numbers of existing trustmarks, in parallel with assessing other options such as self-regulation or the setting-up of stakeholder groups to define common principles of customer service;
- 20. Welcomes the Commission's overall efforts in establishing the EU-wide online dispute resolution (ODR) platform, and calls on the Commission to work towards the timely and correct implementation of the ODR Regulation, especially concerning translation facilities, as well as the ADR directive, together with the Member States; calls on the Commission and the relevant stakeholders to consider how access to information on common consumer complaints could be further improved;
- 21. Calls for an ambitious enforcement framework of the consumer acquis and of the Services Directive; encourages the Commission to make use of all the means at its disposal to ensure the full and correct implementation of existing rules, and

- infringement procedures whenever incorrect or insufficient implementation of the legislation is identified;
- 22. Calls on the Commission and the Member States to adopt the necessary measures against the sales of illicit content and goods online by increasing cooperation and exchange of information and best practices to combat illegal activity on the internet; stresses in this context that digital content supplied to consumers should be free of any third-party rights, which could prevent the consumer from enjoying the digital content in accordance with the contract:
- 23. Calls for a thorough, targeted and evidence-based analysis of whether all actors in the value chain, including online intermediaries, online platforms, content and service providers, and also offline intermediaries such as resellers and retailers, should take reasonable and adequate measures against illegal content, counterfeit goods and intellectual property rights infringements on a commercial scale, while safeguarding the ability of end-users to access and distribute information or run applications and services of their choice;
- 24. Stresses that the zero-tolerance principle as regards the transposition of EU regulations must be a fundamental rule for the Member States and the European Union; takes the view, nevertheless, that infringement proceedings should always be the last resort and should be opened only after several attempts at coordination and rectification have been made; emphasises that it is vital to shorten the duration of these proceedings;
- 25. Welcomes a review of the Consumer Protection Cooperation Regulation announced by the Commission; considers that extension of competencies of supervisory authorities and strengthening of their mutual cooperation is a prerequisite for the effective enforcement of consumer rules for online shopping;

#### 2.2. Affordable high-quality cross-border parcel delivery

- 26. Highlights the fact that while parcel delivery services work well for consumers in some Member States, inefficient delivery services, especially as regards the final mile delivery, are one of the main barriers to cross-border e-commerce in some Member States and one of the most reported reasons for withdrawing from online transactions for both consumers and businesses; believes that the inadequacies of cross-border parcel delivery can be solved only from a European single market perspective, and underlines the importance of competition in this sector as well the need for the parcel industry to adapt to modern living patterns and offer flexible delivery options, such as networks of collection points, parcel points and price comparators;
- 27. Stresses that accessible, affordable, efficient and high-quality delivery services are an essential prerequisite for thriving cross-border e-commerce, and therefore supports the proposed measures to improve price transparency in order to increase consumer awareness of the price structure, information on liabilities in case of loss or damage, interoperability and the regulatory oversight that should be directed at the smooth functioning of cross-border parcel delivery markets, including promoting cross-border track-and-trace systems, allowing enough flexibility for the delivery market to evolve and adapt to technological innovations;
- 28. Calls on the Commission and the Member States to actively share best practices in the parcel delivery sector, and on the Commission to report to the European Parliament on

- the public consultation on cross-border parcel delivery, as well as presenting the results of the self-regulation exercise; welcomes the creation of an ad hoc working group on cross-border parcel delivery;
- 29. Calls on the Commission in addition 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, to further integrate the single market for parcel delivery and postal services, to dismantle barriers postal operators encounter in cross-border delivery, to strengthen the cooperation between BEREC and ERGP, and to propose if necessary a revision of the relevant legislation;
- 30. Stresses that the further harmonisation of parcel delivery by the Commission should not lead to lower social protection and working conditions for parcel deliverers, irrespective of their employment status; calls on the Commission and the Member States to ensure that workers' rights in this sector concerning access to social security systems and the right to exercise collective actions are respected; highlights the fact that the provision of social security is a Member State competence;

## 2.3. Preventing unjustified geo-blocking

- 31. Considers 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;
- 32. Supports the Commission's commitment to address unjustified geoblocking in an effective manner by complementing the existing e-commerce framework and enforcing the relevant provisions of existing legislation; considers it vital to focus on business-to-business relations that lead to geo-blocking practices, such as selective distribution where that is not in accordance with competition law and market segmentation, as well as on technological measures and technical practices (such as IP tracking or the deliberate non-interoperability of systems) resulting in unjustified limitations on access to information society services provided across borders, on the conclusion of cross-border contracts to buy goods and services, and also on adjacent activities, such as payment and delivery of goods, taking into account the principle of proportionality, in particular for small and micro businesses;
- 33. Stresses the need for all consumers within the Union to be treated equally by online merchants selling in one or more Member States, including their access to discounts or other promotions;
- 34. Supports in particular the Commission's planned scrutiny of the practical enforcement of Article 20(2) of Directive 2006/123/EC on services in the internal market in order to analyse possible patterns of unjustified discrimination against consumers and other recipients of services based on their nationality or their country of residence; calls on the Commission to identify and define concise case groups of justified discrimination under Article 20(2) of the Services Directive in order to clarify what is unjustified discriminatory behaviour by private entities and in order to provide interpretative assistance to authorities responsible for applying Article 20(2) in practice, as referred to in Article 16 of the Services Directive; calls on the Commission to make concerted efforts to add the provision of Article 20(2) to the Annex of Regulation (EC) No

- 2006/2004 in order to utilise the Consumer Protection Cooperation Network's investigation and enforcement powers;
- 35. Stresses that a ban on geo-blocking should never oblige retailers to deliver goods from their web shops to a certain Member State when they have no interest in selling their products to all Member States and prefer to stay small or only sell to consumers close to their shops;
- 36. Further points out the importance of the ongoing competition sector inquiry into the ecommerce sector in order to investigate, inter alia, whether unjustified geo-blocking restrictions, such as discrimination on the basis of IP address, postal address or the country of issue of credit cards, infringe the rules of EU competition law; stresses the importance of increasing consumer and business confidence by taking into account the sector enquiry results and assessing whether targeted changes to the Block Exemption Regulation are necessary, including Article 4a and Article 4b, in order to limit undesirable re-routing and territorial restrictions;
- 37. Welcomes 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 geoblocking, as well as the accessibility and cross-border functionality of subscriptions; stresses that there is no contradiction between the principle of territoriality and measures to remove barriers to portability of content;
- 38. Cautions against indiscriminately promoting the issuing of mandatory pan-European licences since this could lead to a decrease in the content made available to users: highlights that the principle of territoriality is an essential element of the copyright system given the importance of territorial licensing in the EU;

#### 2.4. Better access to digital content – a modern, more European copyright framework

- 39. Welcomes the Commission's commitment to modernise the current copyright framework to adapt it to the digital age; underlines that any modification should be targeted and focus on fair and appropriate remuneration for creators and other right holders, economic growth, competitiveness and enhanced consumer experience, but also on the need to ensure the protection of fundamental rights;
- 40. Stresses that professional activities or business models based on the violation of copyrights are a serious threat to the functioning of the Digital Single Market;
- 41. Believes that the reform should strike the right balance between all the interests involved; points out that the creative sector has specificities and different challenges, notably arising from the different types of content and creative works and from the business models used; whereas the 'Territoriality and its impact on the financing of audiovisual works' study underlines the important role of territorial licensing regarding the refinancing of European films; calls therefore on the Commission to better identify and take into account these specificities;
- 42. Calls on the Commission to make sure that any reform of the copyright directive should take into account the results of the ex-post impact assessment and the European Parliament resolution of 9 July 2015 on Directive 2001/29/EC, and be based on solid evidence, including an assessment of the possible impact of any modification on growth

- and jobs, on cultural diversity and in particular on the production, financing and distribution of audiovisual works;
- 43. Highlights the crucial role of targeted exceptions and limitations to copyright in contributing to economic growth, innovation, job creation, encouraging future creativity and enhancing Europe's innovation and creative and cultural diversity; recalls Parliament's support for examining the application of minimum standards across the exceptions and limitations to copyright and the proper application of those exceptions and limitations set out in Directive 2001/29/EC;
- 44. Underlines that the approach to copyright exceptions and limitations should be balanced, targeted and format-neutral and should only be based on demonstrated needs, and should be without prejudice to European cultural diversity, its financing and the fair compensation of authors;
- 45. Emphasises that while the use of text and data mining needs greater legal certainty to enable researchers and educational institutions to make wider use of copyright-protected material, including across borders, any European-wide exception for text and data mining should apply only when the user has lawful access, and should be developed in consultation with all stakeholders following an evidence-based impact assessment;
- 46. Stresses the importance of improving the clarity and transparency of the copyright regime, in particular with regard to user-generated content and to private copying levies in those Member States which choose to apply them; notes, in this regard, that citizens should be informed of the actual amount of the copyright levy, its purpose and how it will be used;

#### 2.5. Reducing VAT-related burdens and obstacles when selling across borders

- 47. Considers that, with due respect to national competences, 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;
- 48. Considers as a priority the development of a simplified, uniform and consistent online VAT system to reduce compliance costs for small and innovative companies operating across Europe; welcomes the introduction of the VAT Mini One-Stop Shop, which is a step towards ending the temporary EU VAT regime; is nevertheless concerned that the absence of a threshold makes it difficult for certain SMEs to comply with the current regime; calls therefore on the Commission to review this regime in order to make it more business-friendly;
- 49. Calls, furthermore, for the tax neutrality principle to be fully respected for similar goods and services, regardless of whether they are digital or physical; calls on the Commission to submit a proposal, in accordance with the commitments given and as soon as possible, to allow Member States to reduce rates of VAT for the press, digital publishing, e-books and on-line publications in order to avoid discrimination in the single market;
- 50. Invites the Commission to facilitate the exchange of best practices between tax authorities and stakeholders to develop appropriate solutions for payment of taxes in the sharing economy;

51. Welcomes the adoption of the review of the payment services directive; stresses 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;

# 3. CREATING THE RIGHT CONDITIONS AND A LEVEL PLAYING FIELD FOR ADVANCED DIGITAL NETWORKS AND INNOVATIVE SERVICES

### 3.1. Making the telecoms rules fit for purpose

- 52. Emphasises that private investments in fast and ultra-fast communication networks are a requirement for any digital progress that must be incentivised by a stable EU regulatory framework enabling all players to make investments, including in rural and remote areas; considers that increased competition has been associated with higher levels of infrastructure investment, innovation, choices and lower prices for consumers and businesses; considers that little evidence exists of a link between consolidation of operators and increased investment and output in networks; considers that this should be carefully assessed, and competition rules enforced, to avoid excessive market concentration, the creation of oligopolies at European level and a negative impact for consumers;
- 53. Highlights the importance of a successful implementation of EFSI to maximise investments by targeting projects with higher-risk profiles, boosting economic recovery, stimulating growth, and incentivising private investments, inter alia microfinancing and venture capital to support innovative companies at different funding stages of their development; stresses, in cases of market failure, the importance of fully exploiting the public funds already available for digital investments, of enabling synergies between EU programmes such as Horizon 2020, CEF, other relevant structural funds and other instruments, including community-based projects and state aid in compliance with state aid guidelines, inter alia to promote public WLAN networks in larger and smaller municipalities, as this has proved to be indispensable for regional, social and cultural integration as well as education;
- 54. Reminds the Member States of their commitment to reach by 2020 full deployment of at least minimum target speeds of 30 Mbps; calls on the Commission to evaluate whether the current broadband strategy for mobile and fixed networks, including targets, is future-proofed, and to meet the conditions for high connectivity for all to avoid the digital divide for the needs of the data-driven economy and the rapid deployment of 5G and ultra-fast broadband;
- 55. Stresses that the development of digital, including over the top (OTT) services, has increased demand and competition to the benefit of consumers and the need for investments in digital infrastructure; considers that the modernisation of the telecommunications framework should not lead to unnecessary regulatory burdens, but guarantee non-discriminatory access to networks and implement future-proof solutions, based where possible on similar rules for similar services that foster innovation and fair competition, and ensure consumer protection;
- 56. Stresses the need to ensure that end-user rights laid down in the telecommunications framework are coherent, proportionate and future-proofed, and, following the adoption of the Connected Continent package, include easier switching and transparency of contracts for end-users; welcomes the upcoming review of the Universal Services

Directive alongside the review of the telecommunications framework to ensure the requirements on high-speed broadband internet access are fit for purpose to reduce the digital divide and examine the availability of the 112 service;

- 57. Stresses that the European Digital Single Market should make daily life easier for the end consumer; calls, therefore, on the Commission to solve the problem of the cross-border handover of telephone calls so that consumers will be able to make uninterrupted telephone calls when crossing borders in the Union;
- 58. Welcomes the various ongoing public consultations launched by DG Connect recently on the digital agenda for Europe, notably on the review of EU telecoms rules, on the need for internet speed and quality beyond 2020 and on Online platforms, cloud and data, liability of intermediaries, and the collaborative economy, but urges the Commission to ensure consistency among all these parallel initiatives;
- 59. Highlights that radio spectrum is a critical resource for the internal market for mobile, wireless broadband communications, as well as broadcasting, and is essential for the future competitiveness of the European Union; calls as a priority for a harmonised and pro-competitive framework for spectrum allocation and effective management to prevent delays in spectrum allocation, and for a level playing field for all market players, and in light of the Lamy report<sup>1</sup>, for a long-term strategy on the future uses of the various bands of spectrum, which are necessary in particular for 5G deployment;
- 60. Stresses that the timely implementation and uniform, transparent enforcement across Member States of EU telecommunication rules such as the 'Connected Continent package' is a crucial pillar for establishing a Digital single market, to ensure the rigorous application of the net neutrality principle and, particularly with a timely wholesale review, to deliver the end of roaming charges for all European consumers by 15 June 2017;
- 61. Calls on the Commission, in order to further integrate the Digital single market, to ensure that a more efficient institutional framework is in place by strengthening the role, capacity and decisions of BEREC in order to achieve consistent application of the regulatory framework, ensure oversight in the development of the single market and resolve cross-border disputes; stresses, in this regard, the need to improve the financial and human resources and further enhance the governance structure of BEREC accordingly;

## 3.2. A media framework for the 21st century

- 62. Stresses the dual character of audiovisual media as a social, cultural and economic asset; observes that the need for future European media regulation arises from the need to ensure and to promote diversity of audiovisual media and to set high standards for the protection of minors and consumers and personal data, fair conditions for competition and more flexibility regarding quantitative and commercial communication rules;
- 63. Stresses that the 'country of origin' principle enshrined in the AVMS Directive is a necessary prerequisite for the provision of audiovisual content across borders on the way to a common market in services; underlines, at the same time, that this principle

Report on the results of the work of the High Level Group on the future use of the UHF band.

does not prevent the achievement of social and cultural objectives and that it does not preclude the need to adapt EU law outside the AVMS Directive; stresses that in order to fight the practice of 'forum shopping', the country of origin of the advertising profit, the language of the service and the targeted public of the advertisement and content should be part of the criteria to determine or contest the 'country of origin' of an audiovisual media service;

- 64. Believes that everyone, including providers of online audiovisual media platforms and user interfaces, should be subject to the AVMS Directive as far as it concerns an audiovisual media service; underlines the importance of rules aimed at enhancing the findability of legal content and information in order to strengthen media freedom, pluralism and independent research, and to guarantee the non-discrimination principle, safeguarding linguistic and cultural diversity; stresses that to ensure the idea of findability of audiovisual content of public interest, the Member States can introduce specific rules that aim to preserve cultural and linguistic diversity and the variety of information, opinions and media, the protection of children, young people or minorities and the protection of consumers in general; calls for measures to ensure that audiovisual media services are made accessible to vulnerable people; urges the Commission to stimulate the legal offer of audiovisual media content by favouring independent European works;
- 65. Urges the Commission to take into account changing viewing patterns and new ways of accessing audiovisual content by aligning linear and non-linear services and by setting out European-level minimum requirements for all audiovisual media services, with a view to ensuring their consistent application, except where such content is an indispensable completion of other than audiovisual content or services; calls on the Commission and the Member States to develop the concept of media services defined in Article 1 of the AVMS Directive in such a way that, while the Member States retain an appropriate degree of flexibility, more account is taken of the potential socio-political impact of services and of specific features of that impact, particularly their relevance to opinion-forming and to diversity of opinion, as well as the question of editorial responsibility;
- 66. Calls on the Commission and the Member States to implement equally, and to treat efficiently, the prohibition of any audiovisual media service in the EU in the case of a violation of human dignity, incitement to hatred or racism;
- 67. Underlines that an adaptation of the AVMS Directive should reduce regulation and strengthen co- and self-regulation by bringing into balance the rights and obligations of broadcasters, through a horizontal and cross-media regulatory approach, with those of other participants in the market; considers priority should be given to the principle of clear recognisability and differentiation between advertising and programme content over the principle of separation of advertising and programme content across all media forms; calls on the Commission to check whether it is still useful and pertinent to adhere to section 6.7 of its communication on the application of state aid rules to public service broadcasting;
- 68. Considers that the legal concept set out in Directive 93/83/EEC could, after a further assessment has been conducted, improve cross-border access to legal online content and services in the Digital Single Market without questioning the principles of freedom of contract, appropriate remuneration of authors and artists and the territorial nature of exclusive rights;

#### 3.3. A fit-for-purpose regulatory environment for platforms and intermediaries

#### 3.3.1. Role of online platforms

- 69. Urges the Commission 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; calls on the Commission to maintain an innovation-friendly policy towards online platforms that facilitates market entry and fosters innovation; considers that transparency, non-discrimination, facilitation of switching between platforms or online services enabling consumer choice, access to platforms, and identifying and addressing barriers to the emergence and scale-up of platforms should be priorities;
- 70. Notes in addition that the provisions of the E-Commerce Directive have been subsequently enhanced by the Unfair Commercial Practices Directive, the Consumer Rights Directive and other components of the consumer acquis, and that these directives need to be properly enforced and apply as much to traders using online platforms as to traders in traditional markets; calls on the Commission to work with all stakeholders and Parliament to introduce clear guidance on the applicability of the consumer acquis to traders using online platforms and, where necessary, assistance to Member State consumer protection authorities to properly enforce consumer law;
- 71. Appreciates the Commission's initiative to analyse the role of online platforms in the Digital Economy as part of the Digital Single Market Strategy, as it will affect several upcoming legislative proposals; believes that the analysis should serve to identify confirmed and well-defined problems within specific business areas and possible gaps in terms of consumer protection, and to distinguish between online services and online service providers; emphasises that platforms dealing with cultural goods, especially audiovisual media, have to be treated in a specific manner that respects the UNESCO convention on the protection and promotion of the diversity of cultural expressions;
- 72. Asks the Commission to report to Parliament in the first quarter of 2016 on the results of the relevant consultations and to ensure a consistent approach in upcoming legislative revisions; cautions against creating market distortions or barriers to market entry for online services by introducing new obligations to cross-subsidise particular legacy business models;
- 73. Stresses that the limited liability of intermediaries is essential to the protection of the openness of the internet, fundamental rights, legal certainty and innovation; recognises in this respect that the provisions on intermediary liability in the e-Commerce Directive are future-proof and technologically neutral;
- 74. Draws attention to the fact that to benefit from a limitation of liability the provider of an information society service, upon obtaining actual knowledge or awareness of illegal activities, has to act expeditiously to remove or to disable access to the information concerned; asks the Commission to ensure uniform implementation of this provision in compliance with the Charter of Fundamental Rights in order to avoid any privatisation of law enforcement and to ensure that adequate and reasonable measures are taken against the sale of illicit content and goods;

- 75. Considers that, in view of the rapidly evolving markets and the diversity of platforms ranging from non-profit platforms to B2B platforms and encompassing different services, sectors and a vast variety of actors, there is no clear definition of platforms, and a 'one-size-fits-all' approach could seriously impede innovation and put European companies at a competitive disadvantage in the global economy;
- 76. Takes the view that some online intermediaries and online platforms generate income from cultural works and content, but this income may not always be shared with the creators; calls on the Commission to consider evidence-based options to address any lack of transparency and transfer of value from content to services that will make it possible for authors, performers and right holders to be fairly remunerated for the use of their work on the internet without hampering innovation;

### 3.3.2. New opportunities offered by the sharing economy

- 77. Welcomes the increased competition and consumer choice arising from the sharing economy, as well as opportunities for job creation, economic growth, competitiveness, a more inclusive job market and a more circular EU economy through the more efficient use of resources, skills and other assets; urges the Commission and Member States to support the further development of the sharing economy by identifying artificial barriers and relevant legislation hindering its growth;
- 78. Encourages the Commission to analyse, in the framework of the sharing economy, how to strike a balance between empowering and protecting consumers and, where clarification is needed, to ensure the adequacy of the consumer-related legislation framework in the digital sphere, including in cases of possible abuses, and to also determine where ex-post remedies are sufficient or more effective;
- 79. Notes that it is in the self-interest of companies utilising these new business models based on reputation and trust to adopt measures to discourage illegal activities while providing new consumer safety features;
- 80. Encourages the Commission to set up a stakeholder group in charge of promoting best practices in the sharing economy sector;
- 81. Calls on the Member States to ensure that employment and social policies are fit for purpose for digital innovation, entrepreneurship, and the growth of the sharing economy and its potential for more flexible forms of employment, by identifying new forms of employment and assessing the need for the modernisation of social and employment legislation so that existing employment rights and social welfare schemes can also be maintained in the digital world of work; highlights that the provision of social security is a Member State competence; asks the Commission to identify and facilitate exchanges of best practices in the EU in these areas and at international level;

#### 3.3.3. Combatting illegal content on the internet

82. Calls on the Commission to advance policies and a legal framework to tackle cybercrime and illegal content and materials on the internet, including hate speech, that will be in full compliance with fundamental rights as set out in the Charter of Fundamental Rights of the European Union, in particular the right to freedom of expression and information, with existing EU or Member State legislation and with the

principles of necessity, proportionality, due legal process and the rule of law; considers that, in order to achieve that goal, it is necessary to:

- provide consistent and efficient law enforcement tools for European and national police agencies and law enforcement authorities,
- provide clear guidelines on how to tackle illegal content online, including hate speech,
- support public-private partnerships and dialogue between public and private entities, in compliance with existing EU legislation,
- clarify the role of intermediaries and online platforms with respect to the Charter of Fundamental Rights of the European Union,
- ensure that the creation within Europol of the European Union Internet Referral Unit
   (EU IRU) is founded on a legal basis that is appropriate for its activities,
- ensure special measures to combat the sexual exploitation of children online and
  effective cooperation between all stakeholders to guarantee the rights and protection
  of children on the internet and encourage initiatives that strive to make the internet
  safe for children, and
- cooperate with the relevant stakeholders in promoting education and awareness-raising campaigns;
- 83. Welcomes the Commission's action plan to modernise the enforcement of intellectual property rights online with regard to commercial-scale infringement; considers that copyright enforcement as laid down in Directive 2004/48/EC is extremely important and that copyright and related rights are only as effective as the enforcement measures in place to protect them;
- 84. Highlights that the EU faces a significant number of IPR infringements; emphasises the role of the European Observatory on Infringements of Intellectual Property Rights to provide reliable data and objective analysis of the impacts of infringements on economic actors; calls for an effective, sustainable, proportionate and modernised approach to the enforcement, implementation and protection of intellectual property rights online, particularly with regard to commercial-scale infringement;
- 85. Notes that in some cases copyright infringements may result from difficulty in finding legally available desired content; calls, therefore, for a wider range of user-friendly legal offers to be developed and promoted to the public;
- 86. Welcomes the 'follow the money' approach and encourages the actors in the supply chain to take coordinated and proportionate actions to fight infringements of intellectual property rights on a commercial scale, building on the practice of voluntary agreements; emphasises that the Commission, together with Member States, should promote awareness and due diligence along the supply chain and encourage the exchange of information and best practices, as well as enhanced public and private sector cooperation; insists that any measures should be justified, coordinated and proportionate and include the possibility of effective and user-friendly remedies for adversely affected parties; considers it necessary to raise consumer awareness of the consequences of infringement of copyright and related rights;

# 3.4. Reinforcing trust and security in digital networks, industries, services and infrastructures and in the handling of personal data

- 87. Considers, in order to ensure trust and security in digital services, data-driven technologies, IT and payment systems, critical infrastructure and online networks, that increased resources are required as well as cooperation between the European cybersecurity industry, the public and private sector, in particular via research cooperation including Horizon 2020, and public-private partnerships; supports the sharing of Member States' best practices in PPPs in this area;
- 88. Calls for efforts to improve resilience against cyber-attacks, with an increased role for ENISA in particular, to increase risk awareness and knowledge of basic security processes among users, particularly SMEs, to ensure that companies have basic levels of security, such as end-to-end encryption of data and communications and software updates, and to encourage the use of the security-by-design concept;
- 89. Considers that software providers should better promote the security advantages of open source software and security-related software upgrades to users; calls on the Commission to explore an EU-wide coordinated vulnerability disclosure programme, including the repair of known software vulnerabilities, as a remedy against the abuse of software vulnerabilities and security and personal data breaches;
- 90. Believes that the swift adoption of a fit-for-purpose NIS directive is needed to provide an EU coordinated approach on cybersecurity; considers that a more ambitious level of cooperation among Member States and relevant institutions and bodies in the EU, and the exchange of best practices, is essential for further digitalisation of the industry, while ensuring the protection of EU fundamental rights, particularly data protection;
- 91. Highlights the fact that the fast-growing number of attacks on networks and acts of cybercrime calls for a harmonised response from the EU and its Member States with a view to ensuring a high level of network and information security; believes 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, and use of data that are strictly necessary to fight crime online and offline; stresses that security, thus defined, 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;
- 92. Recalls that tools such as encryption are useful to citizens and businesses as a means of ensuring privacy and at least a basic level of communications security; condemns the fact that it can also be used for criminal purposes;
- 93. Welcomes the European Cybercrime Centre (EC3) within Europol which contributes to faster reactions in the event of cyber-attacks; calls for a legislative proposal to reinforce EC3's its mandate, and calls for swift transposition of Directive 2013/40/EU of 12 August 2013 on attacks against information systems;
- 94. Notes that the revelations of electronic mass surveillance have shown the need to regain citizens' trust in the privacy, safety and security of digital services, and underlines, in this connection, the need for strict compliance with existing data protection legislation and respect for fundamental rights when processing personal data for commercial or law

- enforcement purposes; recalls, in this context, the importance of existing tools such as mutual legal assistance treaties (MLATs), which respect the rule of law and decrease the risk of improper access to data that are stored in foreign territory;
- 95. Reiterates that, under Article 15(1) of the Directive on electronic commerce (2000/31/EC), 'Member States shall not impose a general obligation on providers' of transmission, storage and hosting services 'to monitor the information which they transmit or store, nor a general obligation actively to seek facts or circumstances indicating illegal activity'; reiterates, in particular, that the Court of Justice of the European Union, in its Judgments C-360/10 and C-70/10, rejected measures for the 'active monitoring' of almost all users of the services concerned (internet access providers in one case, a social network in the other) and specified that any injunction requiring a hosting services provider to undertake general monitoring should be precluded;

#### 4. MAXIMISING THE GROWTH POTENTIAL OF THE DIGITAL ECONOMY

- 96. Believes that, in light of the central importance of European industry and of the digital economy growing much faster than the rest of the economy, the digital transformation of industry is essential for the competitiveness of the European economy and its energy transition, but can only be successful if European companies understand its significance in terms of increased efficiency and access to untapped potential, with more integrated and connected value chains able to respond quickly and flexibly to consumer demands;
- 97. Calls on the Commission to develop a digital transformation plan without delay, including the modernisation of legislation and the use of relevant instruments for investment in R&D and infrastructure, to support the digitalisation of industry in all sectors, such as the manufacturing, energy, transport and retail sectors, by encouraging the adoption of digital technologies and end-to-end connectivity in value chains, as well as innovative services and business models;
- 98. Considers that the regulatory framework should enable industries to embrace and anticipate those changes in order to contribute to job creation, growth and regional convergence;
- 99. Calls, in addition, for a special focus on SMEs, including in particular a possible review of the Small Business Act, as their digital transformation is imperative for competitiveness and job creation in the economy and for closer cooperation between established companies and start-ups that could lead to a more sustainable and competitive industrial model and the emergence of global leaders;
- 100. Reiterates the importance of the European Satellite Navigation Systems, in particular Galileo and Egnos, for the development of the Digital Single Market with regard to the data position and time stamping for Big Data and Internet of Things applications;

#### 4.1. Building a data economy

101. Considers that a data-driven economy is key to economic growth; emphasises the opportunities that new ICT technologies such as Big Data, cloud computing, the Internet of Things, 3D-printing and other technologies can bring to the economy and society, especially if integrated with other sectors such as energy, transport and logistics, financial services, education, retail, manufacturing, research or health and

- emergency services, and if used by public authorities to develop smart cities, better manage resources and improve environmental protection; highlights in particular the opportunities offered by energy sector digitalisation, with smart meters, smart grids and data hubs for more efficient and flexible energy production; underlines the importance of public-private partnerships and welcomes Commission initiatives in this respect;
- 102. Calls on the Commission to investigate the possibility of making every scientific research project which is at least 50 % funded by public funding accessible and free in digital form within a reasonable timeframe which will not jeopardise economic and social gains, including the use of publishing houses in this matter;
- 103. Calls on the Commission to carry out, by March 2016, a broad and transparent review on Big Data involving all relevant experts, including researchers, civil society and the public and private sectors, aimed at anticipating the needs of big data technologies and for computing infrastructure, in particular European supercomputers, including better conditions under the non-regulatory and existing regulatory framework for growth and innovation in this sector, and at maximising opportunities and addressing potential risks and challenges to build trust relating, for example, to access to data, security and data protection;
- 104. Calls for the development of a future-proof and technologically neutral European approach and further integration of the single market related to the Internet of Things and the industrial internet, with a transparent standard-setting and interoperability strategy, and the reinforcement of trust in these technologies through security, transparency and privacy by design and by default; welcomes the 'free flow of data' initiative that should, following a comprehensive assessment, clarify rules on the use, access to and ownership of data, taking into account concerns about the impact of data localisation requirements on the functioning of the single market, and facilitate switching between data service providers to prevent lock-in and market distortions;
- 105. Believes public administrations should have open government data by default; urges that progress be made on the degree and pace of releasing information as open data, on identifying key datasets to be made available and on promoting the re-use of open data in an open form, on account of their value for the development of innovative services, including cross-border solutions, transparency, and benefits for the economy and society;
- 106. Acknowledges the growing concern of EU consumers about the use and protection of personal data by online service providers, as this is key in building consumers' trust in the digital economy; underlines the important role active consumers play in fostering competition; stresses thereby the importance for consumers to be better informed of the use of their data, in particular in the case of services supplied in exchange for data, and of their right to data portability; urges the Commission to clarify data control and data portability rules in accordance with the key principle that citizens should be in control of their data;
- 107. Believes that compliance with data protection legislation and effective privacy and security safeguards as set in the General Data Protection Regulation, including special provisions regarding children as vulnerable consumers, are crucial for building the trust of citizens and consumers in the data-driven economy sector; stresses the need to raise awareness of the role of data and the meaning of data-sharing for consumers as regards their fundamental rights within the economy, and to lay down rules on data ownership

and citizens' control over their personal data; underlines the role of personalisation of services and products that should be developed in compliance with data protection requirements; calls for the promotion of privacy by default and by design, which could also have a positive impact on innovation and economic growth; stresses the need to ensure a non-discriminatory approach to all data processing; underlines the importance of a risk-based approach, which helps avoid any unnecessary administrative burden and provides legal certainty, especially for SMEs and start-ups, as well as democratic oversight and constant monitoring by public authorities; stresses that personal data need special protection and recognises that putting in place additional safeguards, such as pseudonymisation or anonymisation, can enhance protection where personal data are used by Big Data applications and online service providers;

108. Notes that the Commission's evaluation of the Directive on Databases considers this directive an impediment to the development of a European data-driven economy; calls on the Commission to follow-up on policy options to abolish Directive 96/9/EC;

#### 4.2. Boosting competitiveness through interoperability and standardisation

- 109. Considers that the European ICT standardisation plan and revision of the interoperability framework, including the Commission's mandates to European standardisation organisations, should be part of a European digital strategy to create economies of scale, budget savings and improved competitiveness for European companies, and to increase cross-sectoral and cross-border interoperability of goods and services through the faster definition, in an open and competitive way, of voluntary, market-driven and global standards that are easily implemented by SMEs; encourages the Commission to ensure that standardisation processes include all relevant stakeholders, attract the best technologies and avoid the risk of creating monopolies or closed value chains, especially for SMEs and start-ups, and to actively promote European standards internationally in light of the global nature of ICT standardisation initiatives;
- 110. Urges the Commission and the Council to increase the share of free and open source software and its reuse in and between public administrations as a solution to increase interoperability;
- 111. Notes that the Commission is currently consulting with relevant stakeholders on the establishment of an in-vehicle interoperable, standardised, secure and open-access platform for possible future applications or services, as requested by the Parliament in the e-Call Regulation; calls on the Commission to ensure that this platform will not restrict innovation, free competition and consumer choice;
- 112. Calls on the Commission, taking into account rapid innovation in the transport sector, to develop a coordinated strategy on connectivity in the transport sector and, in particular, to establish a regulatory framework for connected vehicles to ensure interoperability with different services, including remote diagnostics and maintenance, and applications in order to uphold fair competition and to satisfy a strong need for products which comply with cyber-security and data protection requirements, but also to ensure the physical security of passengers; believes that partnerships between the automotive and telecom industries are needed to ensure that connected vehicles and connected vehicle infrastructure are developed on the basis of common standards across Europe;

#### 4.3. An inclusive e-society

- 113. Notes that the internet and ICT have an enormous impact on the emancipation of women and girls; acknowledges that female participation in the EU digital sector has a positive impact on European GDP; recognises the significant potential of female innovators and entrepreneurs and the role they can play in digital transformation; underlines the need to overcome gender stereotypes, and fully supports and encourages a digital entrepreneurial culture for women, as well as their integration and participation in information society;
- 114. Recognises the potential of the Digital Single Market to ensure accessibility and participation for all citizens, including people with special needs, elderly people, minorities and other citizens belonging to vulnerable groups, regarding all aspects of the digital economy, including products and services protected by copyright and related rights, especially by the development of an inclusive e-society and ensuring that all e-government and e-administration programmes are fully accessible; is deeply concerned by the lack of progress in ratification of the Marrakesh Treaty and urges its ratification as soon as possible; underlines, in this context, the urgency of swift adoption of the proposal for a directive on the accessibility of public sector bodies' websites;

#### 4.3.1. Digital skills and expertise

- 115. Draws attention to the fact that the mismatch between supply and demand with regard to skills is a problem for the development of the digital economy, the creation of jobs and the competitiveness of the Union, and calls on the Commission, as a matter of urgency, to develop a skills strategy which can tackle this shortage; calls on the Commission to use appropriations from the Youth Employment Initiative to support associations (grassroots movements) which teach disadvantaged young people digital skills; calls on Member States to provide support by making premises available;
- 116. Calls on the Commission and the Member States to promote media literacy and internet literacy for all EU citizens, in particular vulnerable people, through initiatives and coordinated action and investment in the creation of European networks for the teaching of media literacy; stresses that the ability to use media independently and critically, and the handling of information overload, represents a lifelong learning task across generations that is subject to constant change to enable all generations to manage the appropriate and autonomous handling of information overload; points out that as job and skills profiles become more complex, new demands especially regarding information and communications technology (ICT) skills are being placed on training, as well as on further education and life-long learning;
- 117. Encourages the Member States to integrate the acquisition of digital skills into school curricula, to improve the necessary technical equipment and to promote cooperation between universities and technical colleges with the aim of developing common e-Learning curricula that are, recognised in the ECTS system; stresses that education and training curricula must aim at developing a critical thinking approach to the use and thorough understanding of new media, digital and information devices and interfaces, so that people can be active users of these new technologies and not simply end users; underlines the importance of proper training for teachers in digital skills, in how to teach these skills efficiently, including the success of play-based digital learning, and in how to use them to support the learning process in general by making mathematics, IT, science and technology more attractive; calls on the Commission and the Member States to step up research into the effects of digital media on cognitive skills;

- 118. Notes that public and private investment, and new funding opportunities in vocational education and lifelong learning, is necessary to ensure that workers, especially less qualified workers, are equipped with the right skills for the digital economy; calls on the Commission and Member States, together with private industry, to develop easily accessible, standardised and certified on-line training courses and innovative and accessible e-skills training programmes in order to teach participants a minimum of digital skills; encourages Member States to make these on-line courses an integral part of the Youth Guarantee; encourages the Commission and the Member States to create the basis for mutual recognition of digital skills and qualifications by establishing a European certificate or grading system, following the example of the European common framework of reference for language learning and teaching; stresses that cultural diversity in Europe, as well as multilingualism, benefits from cross-border access to content;
- 119. Welcomes the establishment of the Europe-wide grand coalition for digital jobs, encourages businesses to join and urges the Commission and Member states to facilitate the active participation of SMEs; welcomes the Commission's thoughts on constructing new knowledge storage systems for the public sector by means of cloud technologies and text and data mining that are certified and secured under data protection law; takes the view that using such technologies calls for special training efforts in the library, archiving and documentation professions; calls for digital forms of collaborative work and communication using and developing CC licences to be taught and applied across national and linguistic borders in education and training, and in public research establishments, and to be promoted in public procurement procedures; notes the vital role of dual training;
- 120. Notes that public and private investment in vocational education and lifelong learning is necessary in order to ensure that the EU workforce, including the 'digital workforce' working in non-standard forms of employment, is equipped with the right skills for the digital economy; notes that some Member States have introduced rights which guarantee workers minimum entitlements to paid educational leave as a measure to improve workers' access to education and training;

#### 4.3.2. e-government

121. Believes that the development of e-administration is a priority for innovation, as it has a leverage effect on all sectors of the economy and enhances efficiency, interoperability and transparency, reduces costs and the administrative burden, allows for better cooperation between public administrations, and provides better, more user-friendly and personalised services for all citizens and businesses in view of the opportunities offered by digital social innovations; urges the Commission to lead by example in the field of egovernment and to develop, together with the Member States, an ambitious and comprehensive e-government action plan; believes that this action plan should be based on users' needs and best practices, including benchmarks for progress, a step-by-step sectoral approach to apply the 'once only principle' in public administrations according to which 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 in compliance with the requirements and principles of the EU Data Protection Reform package and fully in line with the Charter of Fundamental Rights, as well as a high level of security regarding these initiatives; considers that it should also ensure the full crossborder deployment of highly encrypted e-ID and e-signatures, in particular with the swift implementation of the eIDAS regulation and the increased online availability of

- public services; stresses the importance for citizens and businesses to have access to interconnected commercial registers;
- 122. Calls for the development of a comprehensive and fully accessible single digital gateway, building upon already existing initiatives and networks, as a single end-to-end digital process for businesses, to set up and operate across the EU, including the online set-up of the business as well as domain names, the exchange of compliance information, recognition of e-invoices, filing taxes, a simplified online VAT scheme, online information on product compliance, the hiring of resources and posting of workers, consumer rights, access to consumer and business networks, notification procedures and dispute settlement mechanisms;
- 123. Further calls on the Commission and Member States to ensure the full implementation of the Points of Single Contact, as established by the Service Directive, and to take all necessary measures to guarantee their efficient functioning, thus unlocking their full potential;
- 124. Is concerned that cloud infrastructures for researchers and universities are fragmented; calls on the Commission, in cooperation with all relevant stakeholders, to set up an action plan to lead to the establishment of the European Open Science Cloud by the end of 2016, which should seamlessly integrate existing networks, data and high-performance computing systems and e-infrastructure services across scientific fields, within a framework of shared policies, standards and investments; believes that it should serve as a stimulus to the development of clouds beyond science, to better interconnected innovation centres, start-up ecosystems, and improved cooperation between universities and industry in commercialising technology, in compliance with relevant confidentiality rules, and to facilitating international coordination and cooperation in this field;
- 125. Calls on the Commission and Member States to renew their commitment to the EU 2020 strategy's research and innovation targets as building blocks of a competitive Digital Single Market, economic growth and job creation, with a comprehensive approach to Open Science, Open innovation, Open data and knowledge transfer; considers that this should include a revised legal framework for text and data mining for scientific research purposes, the increased use of free and open source software, particularly in educational establishments and public administrations, and easier access for SMEs and start-ups to Horizon 2020 funding adapted to the short innovation cycles of the ICT sector; stresses in this respect the importance of all relevant initiatives, from public-private partnerships and innovation clusters to European technology and science parks, notably in less industrialised European regions, and accelerator programmes for start-ups and joint technology platforms, as well as the ability to license standard-essential patents effectively, within the restraints of EU competition law, under FRAND licensing terms, in order to preserve R&D and standardisation incentives and foster innovation;
- 126. Urges the Commission to focus on the implementation of the e-procurement provisions, as well as the European Procurement Single Document (PP passport), in order to facilitate overall economic benefits as well as EU market access for all economic operators in compliance with all selection, exclusion and award criteria; stresses the obligation on procuring authorities to provide an indication of the main reasons for their decision not to subdivide contracts into lots in accordance with existing legislation to improve the access of innovative companies and SMEs to procurement markets;

#### 4.4. International dimension

- 127. Stresses the importance of a fully independent internet governance structure to maintain the internet as a transparent and inclusive model of multi-stakeholder governance, based on the principle of the internet as a unique, open, free and stable platform; considers it essential to use the delay in the transition of stewardship of ICANN to serve this purpose; strongly believes that the global dimension of the internet needs to be taken into account in all relevant EU policies and calls on the EEAS to make full use of the opportunities offered by digitalisation in the development of a coherent external policy, to ensure that the EU is represented in internet governance platforms and to be more vocal in global fora, in particular on standard-setting, the preparations for 5G deployment and cybersecurity;
- 128. Recognises the global nature of the data economy; recalls that the creation of the digital single market is dependent on the free flow of data within and outside the European Union; calls, therefore, for steps to be taken by the EU and its Member States in cooperation with third countries to ensure high standards of data protection and safe international data transfers, in compliance with the General Data Protection Regulation and the existing EU case law, when pursuing cooperation with third countries within the Digital Single Market Strategy;

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129. Instructs its President to forward this resolution to the Council and the Commission.