Data is now a central asset in our economies and societies. Every second, smart phones, energy networks, cars, home appliances and individuals in their daily activities are generating data on an ever-increasing scale.

A Digital Single Market Strategy is the key for making the EU thrive in the emerging global data economy. However, this revolution brings also challenges for our societies and for the values on which our Union is based, including democracy, human rights and the rule of law.

A European approach, which links investment in digital innovation with strong data protection rules, will allow the EU to effectively deal with the challenges of today’s and tomorrow’s data-based global economy.

The Potential of the data economy

The European data economy can become a powerful lever to drive growth, create new jobs and open up new business models and innovation opportunities.

Only 4% of global data is stored in Europe. The value of Europe’s data economy has the potential to top €700 billion by 2020, representing 4% of the EU economy.

1.3 million new jobs could be created by 2025 through additional investments thanks to new EU telecoms rules. Today, there are 350,000 unfilled vacancies for ICT professionals in the EU.

A completed Digital Single Market could add €415 billion to the European Union economy per year.

6 billion devices will be connected in Europe by 2020 (20 billion worldwide) – 10 times more than in 2016.

Europe could trigger maximum benefits from Artificial Intelligence if public and private sectors invest at least €20 billion annually between 2020 and 2030 in the technology. Artificial Intelligence is expected to boost the global economy by up to €13 trillion by 2030.
The Challenges

At present, EU citizens and businesses may have restricted access to some goods and services, while businesses cannot reap all benefits from digitisation:

Only 15% of Europeans shop online from another EU country.

Only 7% of internet companies and start-ups sell cross-border.

Governments and businesses face difficulties to fully benefit from digital transformation:

40% of the workforce in Europe needs digital upskilling and 70 million Europeans lack basic literacy and numeracy skills. 40% of the companies trying to recruit digital specialists face difficulties in finding them.

Currently only one out of five European businesses is highly digitised.

EU citizens are concerned about the protection of personal data:

Two thirds of Europeans are worried about having no control over the information they provide online, while almost 3 million EU individuals are affected by the ‘Facebook/Cambridge Analytica’ case.

50% of Europeans are concerned about falling victim to fraud.

The Way Forward: what needs to be done to unlock the potential

The aim of the Digital Single Market is to tear down regulatory walls and move from 28 national markets to a single one. At the same time, the EU needs to build confidence in the digital economy. To complete the Digital Single Market before the end of this year and to ensure a strong data protection on which a dynamic digital Europe can be built, European leaders need to act by:

1. Putting in place all the remaining steps to prepare for the application of the General Data Protection Regulation;
2. Agreeing swiftly on a negotiation position on the ePrivacy Regulation, which aims to ensure confidentiality of electronic communications, so that negotiations could start by June 2018, with a view to its adoption by the end of 2018;
3. Ensuring that the Electronic Communications Code and the Regulation on free flow of non-personal data are agreed by co-legislators by June 2018, and all other pending Digital Single Market proposals by the end of 2018;
4. Mobilising the public and private investments for businesses and the public sector to deploy Artificial Intelligence, 5G connectivity networks, supercomputers and other new digital technologies, and fostering digital skills to spur innovation.