



EUROPEAN COMMISSION

Brussels, 20.10.2017
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Dear President,

The Commission would like to thank the Camera Deputaților for its Opinion on the Communication on the Mid-term review on the implementation of the Digital Single Market Strategy - A Connected Digital Single Market for all {COM(2016) 228 final}.

Completion of the Digital Single Market, in which the free movement of persons, services and capital is ensured and the individuals and businesses can seamlessly access and exercise online activities under conditions of fair competition and a high level of consumer and personal data protection, irrespective of their nationality or place of residence, has been identified as one of this Commission's ten political priorities.

Given the rapid pace of technological change and the benefits offered by digitisation for the European economy and society as a whole, there is an urgent need to ensure that the necessary legislative and other conditions are in place across the European Union in order to ensure that these benefits are accessible to all. Much has already been accomplished since the launch of Digital Single Market Strategy in May 2015, with 35 proposals and policy initiatives presented by the Commission to address the existing online barriers and allow citizens, businesses and governments to benefit from connected digital services. While the Communication on the Mid-term review identified a number of areas in which further initiatives are needed to address emerging challenges, such as the areas of data economy, cybersecurity and online platforms, the emphasis is now on ensuring that all the pending proposals are agreed by the co-legislators as soon as possible.

In response to the specific questions raised in the Opinion, the Commission would like to refer the Camera Deputaților to the attached annex.

The Commission hopes that these clarifications address the issues raised by the Camera Deputaților and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

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Annex

The Commission has carefully considered each of the issues raised by the Camera Deputaților in its Opinion and is pleased to offer the following clarifications:

Points 1 and 4 of the Opinion: The Commission welcomes the Camera Deputaților's recognition of the importance of rapid adoption and implementation of rules in this field and its support for the Commission's efforts to ensure that the key legislative elements are in place by the end of 2017.

On points 2, 3 and 14: The Commission agrees with the Camera Deputaților on the importance of supporting and promoting the activities of small and medium-sized enterprises and start-ups in the technology sector, particularly in new growth areas such as cloud computing, big data and robotics, where innovation will have a major influence on the shape our future economy. As far as European Union competition is concerned, State Aid rules allow for effective support to small and medium sized enterprises without distinction of the sector under the appropriate conditions set out in the General Block Exception Regulation. Besides that, European Union competition rules apply to companies regardless of their size. In the field of Value Added Tax, the Commission made a proposal in December 2016 to extend the One Stop Shop to cover all intra-European Union supplies of goods and services. The One Stop Shop, which is 95% less costly than direct registrations, will assist small and medium-sized enterprises and start-ups in the e-commerce sector to access the single market. The Commission also draws the Camera Deputaților's attention to the recommendations included in the Policy Support Facility¹ specific support to improve the policy framework for further develop and strengthen the innovative entrepreneurship ecosystem in Romania.

On point 5: With regard to the Camera Deputaților's call for reconsideration of legislation on territorial coverage of radio and television services, the Commission would like to stress that, thanks to the adoption in May 2017 of the Regulation on cross-border portability of online content services in the internal market, Europeans will be able to access the films, sports broadcasts, music, video games and e-book to which they have subscribed at home, wherever they are travelling in the European Union. Moreover, the proposed Regulation on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes will facilitate the distribution of and access to copyright-protected content online.

On point 6: The Commission shares the view of the Camera Deputaților that satellite networks and services can play an important part in helping to deliver the seamless digital services that will flow from the deployment of very high capacity broadband networks (including 5G). European Union space programmes Galileo and Copernicus already deliver services that have become indispensable in everyone's daily lives. Space data are needed to use mobile phones, navigate cars or watch satellite TV. The start of the Galileo Initial Services provision, in December 2016, was a major milestone. The inclusion of Galileo in mobile phones is a priority under the European Union's Space Strategy, adopted in December 2016. Leading chipset companies have included Galileo in their products and at

¹ <https://rio.jrc.ec.europa.eu/en/policy-support-facility/specific-support-romania>

present twelve smartphones from six brands are using the Galileo services. Uninterrupted access to satellite-based positioning is vital in emergency situations and the Commission is currently assessing how satellite navigation technology compatible with Galileo can be used to establish effective emergency caller location when the 112 number is dialled. Since March 2016 all lorries being put on the market for the first time have to be equipped with the so-called Digital Tachograph that is capable of registering a certain set of parameters including the position of the lorry.

The Commission adopted on 31 May 2017 a proposal for a recast of the Directive 2004/52/EC on the interoperability of electronic road toll systems {COM(2016) 228 final}. The proposal stipulates that on-board equipment which uses satellite positioning technology must be compatible with Galileo and the European Geostationary Navigation Overlay Service ('EGNOS'). The Commission will propose further measures to promote the user and market uptake of Galileo.

On point 8: The Commission shares the views of the Camera Deputaţilor as regards the importance of protect minors in the online environment. These matters are currently under discussion in the context of the review of the Audiovisual Media Services Directive. The proposed regulation of privacy in electronic communications however serves a different purpose as it protects the confidentiality of communications (such as telephone calls, e-mails or private messages) between two end-users.

On points 7 and 9: As regards the Camera Deputaţilor's concerns with regard to the need to address competition issues in the area of e-commerce, and in particular search engines, the Commission has demonstrated its commitment to applying the competition rules of the Treaty in these areas, for example through its Decision of 27 June 2017 relating to the abuse of a dominant position by Google in the search engine market. The Commission's proposals on geoblocking and parcel delivery services, as well as its proposed revision of the Consumer Protection Cooperation Regulation, help boosting trust in e-Commerce and would remove barriers to cross-border trade in the e-commerce sector.

On point 10: With regard to the need to address counterfeiting through mandatory inclusion in labelling of the manufacturer and origin of equipment and electronic components, the Commission seeks to promote tools and best practices aimed at ensuring supply chain protection from any form of counterfeiting risks.

On points 11, 12 and 13: The Commission acknowledges the concerns of the Camera Deputaţilor over the under-supply of qualified Information and Communication Technology professionals in the European Union and the need to improve digital skills and education. The New Skills Agenda for Europe, launched in June 2016, addresses digital skills by giving priority to them at all levels, from basic to high end, throughout all the actions of the agenda, including through the Digital Skills and Jobs Coalition. In December 2016, the Commission also launched the Digital Skills and Jobs Coalition, as one of actions of the New Skills Agenda for Europe, to help tackle the digital skills gap in Europe. The Coalition brings together stakeholders, including social partners and Member States, to take action and identify and share best practices, so that they can be replicated and scaled up across Europe. The Commission is also planning to launch a pilot project called Digital Opportunity

Scheme, to support cross-border traineeships for students and recent graduates in European companies, with the aim of improving their digital skills.

On point 16: The Commission acknowledges the concern of the Camera Deputaților related to the need to ensure the long life of medical devices to support the development of innovative digital solutions in the health and care sectors and, particularly, to make sure that devices remain safe and highly performing during their whole lifecycle. In this context, two new Regulations on medical devices and in-vitro diagnostic medical devices entered into force on 25 May 2017 and will become progressively applicable during the next few years. Among other things, the new Regulations strengthen rules related to post-market surveillance on the side of manufacturers so that the safety and performance throughout the expected lifetime of the device is continuously monitored

On points 15, 17, 18 and 19: With reference to the need for analysis and quantitative data on progress in the implementation of the Digital Single Market in the Member States, including in relation to the gap between urban and rural areas and the definition of universal service, the Commission recalls that, on the same day as it published the Communication on the Mid-term review of the Digital Single Market Strategy, the Commission published its annual Europe's Digital Progress Report 2017², which monitors progress in digital policies in the Member States and includes country chapters describing the state of implementation in each of them. The Commission also shares the Camera Deputaților's recognition of the benefits brought by the application of the eGovernment solutions.

² <https://ec.europa.eu/digital-single-market/en/news/european-digital-progress-report-review-member-states-progress-towards-digital-priorities>