FACT SHEET: TOWARDS A COMPETITIVE EUROPEAN INTERNET INDUSTRY

CHALLENGES AND OPPORTUNITIES

The Internet’s contributions to the European economy are substantial, profound and pervasive.

European Internet industry revenues 2010-2014

The Internet economy in the EU is projected to grow 7 times faster than overall EU GDP.

Estimated size and growth of EU Internet economy 2015-2020 (Realistic scenario)

Europe is strongest in the more mature segments of the Internet industry, but lags behind in those segments which enjoy the highest growth rates.

Providers of telecom services continue to dominate the EU Internet industry, but grow more slowly and are less globalised than their US and Japan-based competitors.
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CAPTURING THE FRUITS OF THE FUTURE INTERNET REQUIRES TACKLING THE BARRIERS TO EU COMPETITIVENESS

Access to human resources
Meeting Europe’s skill needs is important, but so is learning to use Europe’s reservoir of human capital more efficiently

Access to capital resources
Actions are needed to help SMEs and start-ups gain easier access to capital and to support providers of high-speed infrastructures in their risky investments

Innovation
Reinforce the build-up and build-out of smart infrastructures in industrial sectors
Ensure a broad-based, robust technological capability to invigorate third-party value creation in the application domain
Strengthen systematic dialogue and cooperation between the Internet industry and other industries.

Competition and Cooperation
The Digital Single Market is in need of defragmentation

An FI PPP will help create jobs in the near term, but employment will drop in the medium term due to productivity increases. After these bed in, employment will follow a higher trajectory than it would without the FI-PPP

Under ideal conditions, effects unleashed by the FI PPP could contribute up to €28 billion per year to the EU economy, corresponding to 0.24% of EU GDP, while the projected effects of the FI PPP+ could be even higher