

The business vision for a digital single market in Europe

"A digital single market must work toward one goal: more buying and selling online across borders, so that businesses can grow, create jobs and reinvest in products and services for customers"

The digital economy has changed the way we live our lives and the relationship between consumers and products, services & content. From the way we shop, through to the way we make bank transfers, digital services are a key part of everyday life, revolutionising the ways in which businesses deliver products and services to their customers.

As such, the 'digital economy' is no longer terminology reserved for 'tech' industries, but is synonymous with the broader economy; every sector is a technology sector in some respect. Be it traditional dairy farmers and construction companies or new and innovative start-ups, businesses are more reliant than ever before upon digital technology and faster connectivity to streamline their operations, reach more customers and enter new markets. In an age where technology can make all businesses global, being 'digital' has the potential to unlock a broad range of economic benefits for a rapidly growing online consumer base, creating job opportunities for those with digital know-how and supporting our innovative and high-growth industries.

However, the rate of change and digital advancement in day to day life is faster than any legislative process, and new laws can become quickly outdated. Europe needs a coherent and future-proof package of dossiers relating to the digital economy that seeks to update regulation according to high level and outcome based principles that do not risk being immediately obsolete.

These dossiers should create a framework to support a constantly evolving digital single market and, to deliver for EU citizens and businesses, they must each work toward one goal: the facilitation of more trading online across borders so that businesses can grow, create jobs and reinvest in services and products for the individual. To achieve this, small businesses and start-ups in particular will need help to more easily enter new markets in order to scale-up, whilst giving citizens and consumers the exciting content and services they have come to demand - delivered directly to their mobile, tablet or computer - wherever they are in the Union.

Technology doesn't wait, and as other markets begin to catch up, and in some cases overtake Europe, we cannot afford to stand still. The Commission must identify the right environment and outcomes it is seeking to unlock for its citizens and businesses, and design proposals to tackle the barriers that exist to a functioning digital single market before it is too late.

SUMMARY OF KEY MESSAGES & RECOMMENDATIONS

THE COMMISSION MUST UNLOCK PRIVATE INVESTMENT TO DELIVER NEXT GENERATION INTERNET ACCESS ACROSS THE EU

Rural coverage is lagging behind, take up of services is low and access to infrastructure like broadband networks and spectrum is fragmented across member states. We need innovative funding and delivery but businesses struggle to invest under current conditions.

The Commission must:

- Improve investment planning for businesses by co-ordinating the spectrum allocation timetable
- Move toward cross border equivalent access to existing infrastructure
- Make better use of EU funding to stimulate rural investment

THE COMMISSION MUST ENSURE CONTINUED INVESTMENT IN ONLINE CONTENT MADE AVAILABLE ACROSS BORDERS

The way we consume media and entertainment continues to evolve, and demand for on-the-go access to TV, film and music shows no sign of slowing. Customers should be able to access their licenced content as they travel across member states, but businesses must be able to earn enough to reinvest in new content and to pay wages. Access can be improved for citizens, allowing commercial choice-based models to be developed.

The Commission, with business, should:

- Make it possible for a consumer's licence to access content to travel with them
- Adopt a customer choice model to open up access to content from other member states with purchasable portable licences

THE COMMISSION MUST HARMONISE SOME ASPECTS OF COMPANY AND CONSUMER LAW TO BOOST ECOMMERCE

Company and consumer law differs from one member state to another which makes it difficult for small and medium sized businesses to sell their products and services in some member states, as well as impacting consumer trust and perceptions of choice and price. Boosting buying and selling across borders will help businesses to grow and create jobs, so it is important that we simplify ecommerce and cut red tape for expanding businesses.

The Commission should:

- Simplify aspects of company law to help expanding businesses sell to more member states
- Co-ordinate existing consumer protection principles to increase customer confidence to buy more online
- Cut unnecessary red tape for businesses, such as scaling back labelling requirements making information digital available at point of purchase

EU INSTITUTIONS MUST AGREE A WORKABLE DATA PROTECTION REGIME THAT BOOSTS CUSTOMER CONFIDENCE AND ALLOWS FOR INNOVATIVE DATA-USE

The ways that businesses use data are widely misunderstood. Data-use and analysis has changed as digital technologies have revolutionised product and service delivery, but often this has been for the benefit of customers. Current proposals for large costs and fines to control data-use risk crippling growing businesses, impeding global competitiveness, and won't necessarily achieve better protection for the individual in doing so. We need to update data protection principles, but we need to do so in a workable way.

All EU institutions must work together to:

- Take a lead in changing the tone of the debate about privacy and data
- Scrap disproportionate fines and arduous requirements on growing businesses
- Adopt an outcome and risk-based approach to data protection

RECOMMENDED ROLE FOR INSTITUTIONS, MEMBER STATES & BUSINESSES

	For the EU	For member states / businesses	Timescale
Investment in digital networks	<ul style="list-style-type: none"> • Spectrum allocation timetable. • Move towards cross border access to existing infrastructure to increase service choice for consumers and to promote competition and innovation to increase roll out of superfast services. 	<ul style="list-style-type: none"> • Spectrum allocation decision making, and control of revenues • Oversight and decision making should remain the responsibility of member states' sector regulators. 	<ul style="list-style-type: none"> • Co-ordinate bidding process to take place by end of 2015, for auction in early 2016, to marry up with current UK schedule for 2.3Ghz and 3.4Ghz • Cross border access to be agreed by end 2016.
Access to digital content and services	<ul style="list-style-type: none"> • Maintain territorial licencing to allow for product tailoring, and market or demand-led development of content. • Allow ability to differentiate on price and tailor for consumers. 	<ul style="list-style-type: none"> • Portable access to home member state content on basis of license for use at home. • Develop open access to content on a consumer choice basis, with the ability to buy portable licenses for content from other Member States. 	<ul style="list-style-type: none"> • Where solutions are technologically possible and content is already owned, seek to implement cross border access by end of 2016. • Allow more time to develop the right framework to produce portable licences within the current territorial licencing structure by 2017.
Boosting online commerce activity	<ul style="list-style-type: none"> • Rules regarding information that needs to be made available digitally versus labelling. • Principles for consumer protection best practise. 	<ul style="list-style-type: none"> • Beyond harmonised basic requirements, market-led presentation of information should be allowed to prevail. • Best practise national frameworks should not be lowered in pursuit of harmonisation. • Technology should not be prescribed – coordination of services must be future proofed. 	<ul style="list-style-type: none"> • Agree which basic rules to harmonise by 2016 and implement by end of 2017.
Data-use & protection	<ul style="list-style-type: none"> • The proposed data protection regulation must update data protection principles to reflect an evolving digital age. • However, a workable framework is required that celebrates the benefits of emerging and established data-use techniques. 	<ul style="list-style-type: none"> • The approach should be outcome focussed for the consumer being careful not to make prescriptions or narrowly define scenarios. • Fines and decisions regarding breach should be made at member state level. 	<ul style="list-style-type: none"> • An <i>immediate</i> overhaul of the debate is required to pass an appropriate new framework. • However, the text in its current form should not be rushed through. The Commission needs to push the Council and Parliament for non-prescriptive, principle led and workable text by close of 2015 for agreement in 2016.

The European Commission must create a digital single market that will deliver the desired outcomes for both businesses *and* consumers.

The digital agenda in Europe presents an important opportunity to the European Commission and Parliament to shape the way businesses and citizens interact with each other, and the environment in which innovative new businesses are born and grow in the future. Doing this successfully will depend on decisions that are made this year and implementation inside the next five years, with the EU at an important fork in the road. By taking the right route, policy makers will put the consumer and growing businesses at the heart of digital strategy, creating a competitive environment in which European businesses can thrive and compete on the world stage.

Policy makers across all institutions will need to take an outcome-based approach to proposals for a digital single market, identifying points of intervention or non-intervention to achieve the desired result for 'end-users'. By working with business and industry, the Commission should work to produce targeted, quality and future-proof legislation, taking care to avoid superfluous regulation and unintended consequences. [Exhibit 1](#) is a suggested, albeit non-exhaustive, example of the ideal journey for a customer interacting with a digital Europe, whilst [Exhibit 2](#) is a suggested example of the ideal journey for a new or existing small business expanding its footprint across member states. Recommendations in this paper are made with the achievement of these scenarios in mind.

Getting this right will require policy makers and businesses to make a positive and progressive step change in order to move away from a trend toward negative and prescriptive legislation in the digital space. The EU needs a digital agenda and single market that protects and delivers for consumers, inspires trust, and encourages competition, innovation, growth and job creation.

A digital single market must focus on removing barriers to trade and consumption of online products and services across borders

Evaluating an ideal scenario for the digital European citizen will allow policy makers to make targeted legislative proposals to remove specific barriers and avoid superfluous regulation. [Exhibit 1](#) and [Exhibit 2](#) demonstrate that existing barriers can be broadly organised into four key themes: access to digital networks; digital content and services; boosting online confidence and ecommerce activity; and a balanced data protection regime.

At present, not enough businesses or citizens have access to next generation fixed and mobile internet connections like 4G and superfast broadband – rectifying this will be essential to getting businesses operating more and more online, whilst growing the number of consumers who can buy online from remote areas or on-the-go.

With more customers online, there will be more consumers of digital entertainment and content. Smart TVs and tablet technology have increased demand for new and continuous streaming of music, movies and TV at the tap of a touchscreen, but we don't have a copyright framework that fits anymore. We will need future-proof legislation that will support the creation of content in all of its possible future guises, whilst increasing cross-border access to content in a sustainable way.

Fragmented company and consumer law across member states, as well as potentially prescriptive data protection legislation, all present stumbling blocks for businesses in their pursuit to do more online across the Union, in turn presenting barriers to the customer in [exhibit 1](#). Co-ordinating some aspects of company and consumer law will be necessary to cut red tape when it comes to growing businesses exporting online, and will need to be underpinned by a data protection framework that protects and boosts the confidence of consumers, whilst allowing businesses to use innovative means to boost their trade across borders.

To overcome these four broad obstacles, there are areas where the Commission will need to intervene, and others where it will need to step back, in order to:

1. Unlock private investment to deliver next generation internet access
2. Ensure investment in online content available across borders
3. Co-ordinate aspects of company and consumer law to boost ecommerce
4. Agree a workable data protection regime that boosts customer confidence and allows for innovative data-use

Exhibit 1: A potential digital customer experience in a successfully connected Europe

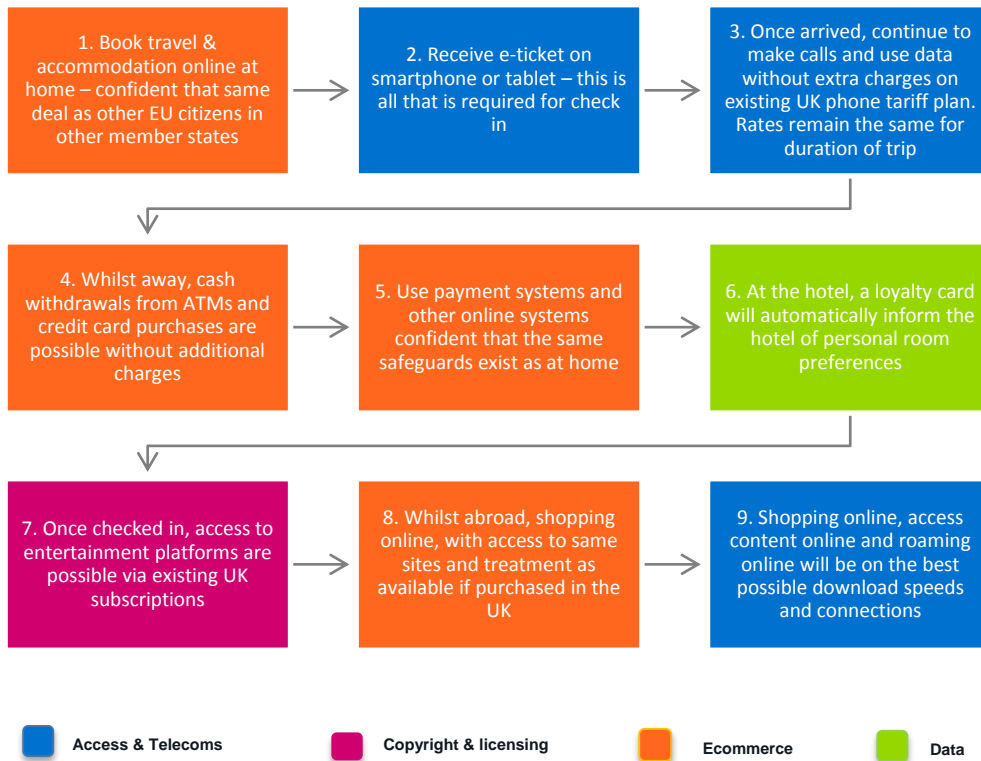


Exhibit 2: A potential growing business experience in a successfully connected Europe



1. The Commission must unlock private investment to deliver next generation internet access across the EU

For the consumer and businesses in our scenarios to be able to experience the benefits of a digital single market, the critical thing to get right is facilitating the roll-out of reliable high speed internet connections across Europe. Digital infrastructure is fast becoming as important to businesses and consumers as electricity in the walls and water coming out of the tap; any single market strategy will need to prioritise it as an enabler for a truly digital Europe.

The potential of digital communications for businesses, means that investment in digital communications infrastructure has a direct link to increased growth and productivity, in turn benefiting citizens across the EU. According to the European Commission, connecting 10% more households to high-speed broadband could generate up to 1.5% GDP growth and create 20 million more jobs by 2020, while the OECD says that 10% increase in broadband take-up in any year results in labour productivity growth of 1.5% over the following five years.

A lot of progress has been made in rolling out high speed and superfast services, and this is being felt at the local, company and consumer level as a result of considerable funding allocated to connectivity projects. For example, roll-out of superfast services in Cornwall and the Isles of Scilly has received €55.1million funding from the EU, with private investment matching the rest. When completed in 2015, this will make Cornwall and the Isles of Scilly one of the best connected parts of the world. Indeed, across the EU, the availability of next generation access is growing quickly with 62% EU superfast coverage at the end of 2013, up from 54% the year before¹ and 4G availability up from 27% to 59% putting Europe in a good position globally.

However, despite this rapid progress, rural coverage remains an EU-wide challenge with only 89.8% of homes in rural areas with access to fixed coverage, and 18.1% to next generation access. Also, whilst 4G availability is up from 27% to 59% from 2012 to 2013, its availability is still significantly less than 3G. Given

the current political and economic climate in Europe, where budgets have been stretched in recent years, boosting roll-out of next generation and 4G technology can only be achieved with substantial private investment. There are often obstacles to creating a pro-investment business environment at member state level regarding planning regulations and regulatory regimes, but overall two challenges exist at the European level, that should be addressed by a digital single market.

Co-ordinate spectrum timetable to improve investment certainty

Firstly, the process for allocation of spectrum and frameworks for wholesale access to incumbent fixed networks is fragmented. This means that business confidence to invest is low; responsible businesses need to know when and how they are going to spend their money and not being able to plan properly is a disincentive for operators seeking access to existing mobile infrastructure in other member states. Whilst member states should continue to own and manage the revenues from spectrum auctions, co-ordinating the timetable of when these auctions take place will inject some more certainty into the investment planning cycle. This in turn would promote more cross border service provision, in turn adding consumer choice and stimulating competition to improve coverage by innovative means and new technologies.

Refocus EU grants & funds to solve rural coverage gaps

Secondly, 'take up' of broadband products and services is likely to be lower in rural areas and indeed some member states more than others, making it difficult to justify extra investment. According to Eurostat there is an overall 76% take-up rate of fixed broadband which, whilst still increasing, is doing so at a low growth rate. Overall, EU take-up is higher than the rest of the OECD (27% take up) and the same as the US, but given the variance across member states, and weaker penetration in some Eastern countries and others like Italy and Greece, there will be even less of an incentive for telecommunications operators to invest if they cannot guarantee a return. Making money from investments of this nature is the only way for businesses to guarantee continued and ongoing investment as technology improves and develops, but

¹ Digital Agenda Scorecard 2014

if they are unable to do so rural coverage will continue to lag behind. This means that as urban and semi-urban areas continue to develop digitally and thrive economically by selling, marketing and interacting with customers' online, rural farms and businesses will be unable to move forward with the rest. Better utilisation of existing grants and funds could help to stimulate further investment where loans cannot.

Recommendations

Improve investment planning by co-ordinating the spectrum allocation timetable, giving the opportunity to bid for spectrum across borders so that businesses can better plan their investment cycles and choices to invest in other member states.

Move toward cross border equivalent access to existing infrastructure, adopting competitive models of access to wholesale copper and fibre networks to boost expansion into new markets, providing more product choice for consumers, and more sources of private investment once in-country.

Make better use of EU funding to stimulate rural investment, such as Common Agricultural Policy (CAP) funds to boost coverage in rural areas.

2. The Commission must ensure continued investment in online content available across borders

As uptake of high speed connectivity and increased tablet and smart TV ownership continues to take hold, so too will the consumption of online content. Traditional entertainment from books, to music and film, are being enjoyed digitally on a range of platforms and devices, and increasingly consumers expect to be able to buy and access such material on-the-go and across borders.

Industry is adapting well to these changing market conditions and the increased digitisation of goods, demonstrating the ability for market-based solutions to allow content creators and distributors to roll out and progress a content single market at

a rate which is sustainable for their business. In doing so, content industries contribute a huge amount to the EU and its member states economically and culturally, as well as bolstering its global competitiveness. Participation in the creative industries, from creation of new works and other content, to its exploitation and sale, represent a significant 6.8% share of GDP in Europe, and contribute 6.5% employment. With strong creative brands, and high quality content – particularly in audio visual – the opportunity is also clear for businesses as well as consumers.

Pan-EU licensing could threaten tailored content & services

At present, there is concern that imminent copyright proposals regarding the licensing framework for content could be a threat to business' ability to continue to develop and deliver online programming and other content to their customers in this way. Moves to impose pan-European licensing and to mandate content availability in all markets would cause extensive financial disruption and uncertainty, as well as setting a dangerous precedent by telling private businesses which markets they must pursue. Currently, a range of multi-country, pan-EU and global level licenses and contracts exist where there is market demand, allowing the production and distribution of quality and sought-after content to those who want it. The Commission should seek to move forward with a model based upon customer demand and choice of service.

To support this, digital single market proposals regarding copyright and more open access to content should focus on supporting private investment in new content whilst working with businesses to accelerate the current level of development of service provision and platform access. Content producers and distributors already test demand in order to improve service provision, and have found ways to broaden consumer access across borders through, for example, partnering with other distributors to sell programming and movies abroad. Others have found ways to make content available in a commercially manageable way like Spotify, for example, which offers subscribers the ability to access services for up to 14 consecutive days outside of their home territory.

Customer & market-led solutions should be allowed to develop sustainably

Accepting that we are likely to see an increase in

content consumed via digital and non-traditional platforms, steps should be taken to ensure that businesses can continue to explore new and innovative ways to reach more customers. This could be done by taking technical and customer-led measures to allow content to follow its owner/purchaser, so that access they have already paid for can be consumed abroad, as well as moving toward optional portable licenses for content from other member states. Observing our customer example in Exhibit 1 to demonstrate, the consumer would have a television subscription account at home and would be allowed to access that same content wherever they are in the Union – based on individual or device recognition. Another possible option for exploration could be that those with an interest in content from another member state could choose to pay extra for a ‘gold licence’ that allows access to programmes and services from abroad.

Copyright proposals must ensure that businesses can reinvest in new content

Importantly, proposed copyright frameworks and initiatives must ensure that rights holders are fairly compensated in order to adequately support reinvestment in Europe’s unique cultural wealth and diversity, benefiting consumers – but it must too remain intolerant of unauthorised copying or behaviors that act as a disincentive to production of new and innovative material. New rules must also sit in harmony with a new approach to ‘net neutrality’, whereby necessary security and traffic management measures are permitted, but with open access to a range of content from across the Union.

Recommendations

Make it possible for a consumer’s licence to access content to travel with them, so that access they have at home is recognised via unique identification log-in and consumable during travel in other member states.

Explore the possibility of a customer choice model to open up access to content from other member states, through options such as purchasable portable licences. This will need to be customer-led to succeed.

3. The Commission must coordinate some aspects of company and consumer law to boost ecommerce

Increased mobile and tablet use as well as a trend toward integrated or ‘omni-channel’ retailing, i.e. retailing via physical and online combined, creates a real opportunity for businesses and consumers in the UK as part of the EU, as well as the EU as a whole. Trading online presents a particular growth opportunity for non-traditional retail businesses and start-ups, enabling exports to multiple and far-away markets, at the same time as benefiting customers. Ease of access via a range of on-the-go platforms presents a convenient and competitive way to shop, with the potential of lower prices as well as a wider choice of products and new services.

However, despite the potential benefits of buying and selling online, businesses across the EU as a whole are not taking advantage of the opportunity to expand its consumer base when compared with individual member states. For instance in 2012, €277bn worth of goods and services were purchased online, representing 3.5% of all business to consumer (B2C) sales in Europe, compared with the UK where online sales represent 12% of all B2C sales². Likewise, businesses and customers are not buying and selling across borders as much as digital technology would allow them to; only 10% of EU consumers buy from cross-border online retailers, and only 27% of UK merchants sell cross-border³. This is because, for both businesses and consumers, a number of barriers exist that a digital single market needs to address (Exhibit 3).

EU business is having to operate in a fragmented ecommerce marketplace

For businesses, the e-commerce market is fragmented in a number of ways, making it difficult and costly to sell into multiple member state markets. Different national regulations faced by retailers in different member states range from language and labelling requirements to conflicting consumer protection regimes, as well as some national rules about marketing and advertising. Some countries for example, have more arduous labelling requirements,

² EuroCommerce, March 2014

³ European Commission, Bringing e-commerce to consumers, 2012

whilst some others do not allow offers such as 'buy one get one free'. Differences in payment preferences as part of national consumer protection regimes continue to be a cultural as well as a technical factor, with some countries readily making prompt payments and others putting a different emphasis on consumer payment. In the Netherlands, for instance, customers only pay 50% up front with the remainder upon receipt, and in Belgium, payment cannot be collected until the 'withdrawal' - or cancellation - period has ended⁴. This can lead to uncertainty and a lack of confidence to sell or invest for businesses, and so we should seek to standardise payment terms to secure immediate payment to ensure cash flow and confidence for businesses to continue selling into their chosen markets. This will particularly benefit smaller businesses, who may have less capital to work with.

Customer confidence is key to online commerce activity

For consumers, limited online commerce activity is an issue of confidence and trust in what is being purchased, how much it costs, where it is being purchased from, and the ease of return or redress. According to research undertaken by E-commerce Europe for 'Which?', 74% of consumers checked where a retailer was based some or all of the time, with 51% then choosing more expensive UK-based retailers over cheaper EU offerings. This is despite price reportedly being the main driver for consumer decisions in 72% of cases. When asked why they preferred buying from their home retailers, confidence in being able to exchange or get a refund was cited as the main reason.

Exhibit 3: Barriers to a single market in e-commerce

Barriers to buying & selling online	
Businesses	Legal Certainty
	Fragmented consumer protection
	Payment preferences
Consumers	Confidence
	Perception of choice and price

So, parallel to boosting online access and upskilling customers, as well as ensuring high quality digital content and services, any proposal for a digital single market should seek to address physical barriers to buying and selling online, taking steps to harmonise and co-ordinate regulation where appropriate.

Recommendations
<i>Simplify aspects of company law to help expanding businesses sell to more member states</i> , for example remove requirements to register a company in person so that businesses can more easily establish themselves virtually.
<i>Co-ordinate existing consumer protection principles to increase customer confidence to buy more online</i> , so that individuals feel more confident about the service or the quality of product they are receiving, and red tape is cut for businesses looking to sell in multiple EU markets.
<i>Cut unnecessary red tape for businesses</i> , for example, scaling back labelling requirements to basic and essential information, allowing all other information to be made available digitally at point of purchase. Where extra information is 'nice to have', allow consumer-led market initiatives to take the lead over legislation and regulation.

4. The Commission must work with the Parliament & Council to agree a workable data protection regime that boosts customer confidence and allows for innovative data-use

Boosting connectivity and improving access to online content and services so that businesses can access, buy and sell more online across borders, must be underpinned by a flexible but secure data protection framework fit not only for the current digital world, but applicable to whatever comes next. With increased online activity comes new territory for consumers, and feeling confident online is a key component for effective participation in a digital single market.

⁴ British Retail Consortium, The EU and the Digital Single Market, October 2014

Exhibit 4: Positive data-use

5 positive ways businesses are using our data	
1.	Improving healthcare & disease prevention
2.	Improving education outcomes for our children
3.	Tailoring & streamlining a range of popular services
4.	Saving money for customers
5.	Helping governments to transform public services

Data-use is key to progress

From online shopping to hotel check in, and to generating insurance quotes online, data analytics allows businesses to track individual preferences and tailor the consumer experience. Indeed, much of the free internet services and content that customers want and enjoy, are advertising funded – that advertising relies on data-use. According to a recent report by International Data Corp., big data is the next essential business capability, and the worldwide big data market is expected to grow from \$3.2 billion in 2010 to \$16.9 billion in 2015, a compound annual growth rate (CAGR) of 40%⁵. In European terms, according to BUSINESSEUROPE, data based innovation is worth €330 billion per year to 2020 for the EU. The benefits are not only commercial – there is significant socio economic potential too.

Advancements in data science are already starting to move beyond how we shop and how we access traditional services digitally, and toward improving service outcomes by predicting disease and the educational trajectory of our children.

We need to reshape the debate on data

Unfortunately, data and its uses by business can often be misunderstood. Whilst there may still be work to do on transparency and trust as this relatively new field of expertise continues to develop, we must be careful that politicisation of the data privacy agenda in light of various high profile government surveillance scandals, and as part of a misconception about the role of certain types of business, does not skew progress. Proposals

currently on the table as part of the draft General Data Protection Regulation create a variety of problems for businesses, including a false sense of protection by classifying all personal data as sensitive; large costs and fines that will be most problematic for small and medium sized businesses; and an inhibitive effect on the global competitiveness of the EU. Data protection must be understood and regulated in the context of the modern operating environment and the techniques that businesses use to refine the products and services that consumers have come to expect and demand. Whilst it is true that ill-protected data can pose a threat in a digital environment, there is a considerable opportunity if used and regulated responsibly and sensibly. An effective digital single market should encourage and allow modern data-use techniques for the purposes of growth and innovation.

With a new Commission and Parliament, and a renewed commitment to the digital agenda, comes a real opportunity to reshape the debate about data in the EU and, working together across the institutions, the EU must strike a balance between the ambition of the Digital Agenda for Europe and some of the more prescriptive tendencies of dossiers like the General Data Protection Regulation. Prolonging the current battle runs the risk of passing already outdated legislation, and the potential to undermine a chance to progress the digital single market.

Recommendations

Work with businesses to take a lead in changing the tone of the debate about privacy and data, recognising its positive uses, and making the case for modern data techniques and correlating benefits for customers.

Adopt an outcome and risk-based approach to data protection, so that sensitive data is more adequately protected and consumers can feel safe whilst transacting online.

Scrap disproportionate fines and arduous requirements on small businesses, along with third country enforceability, and maintain the EU as an internationally attractive place to do business.

⁵ "Worldwide Big Data Technology and Services 2012-2015 Forecast," IDC, March 7, 2012,

<http://www.idc.com/getdoc.jsp?containerId=prUS23355112#.UQwxhuTAeE4>.

The Commission must get the balance between co-ordination and non-intervention right, moving quickly to implement change.

Achieving the best outcome for businesses and consumers will require a sensible and coherent approach, seeking to remove barriers where they exist, whilst avoiding unnecessary intervention. However, technology does not stand still and the Commission will need to facilitate speedy implementation of legislation to avoid stagnation. Likewise, the Council and the Parliament will need to prioritise competition and innovation, and focus on the potential of legislation to boost growth and jobs, avoiding long negotiations about provisions that could be left up to member states. [Exhibit 5](#) demonstrates how recommendations in this paper might be observed with that in mind.

Exhibit 5: Roles for institutions, member states & businesses

	For the EU	For member states / businesses	Timescale
Investment in digital networks	<ul style="list-style-type: none"> • Spectrum allocation timetable. • Cross border access to existing infrastructure 	<ul style="list-style-type: none"> • Spectrum allocation decision making, and control of revenues • Oversight and decision making should remain the responsibility of member states' sector regulators 	<ul style="list-style-type: none"> • Co-ordinate bidding process to take place by end of 2015, for auction in early 2016, to marry up with current UK schedule for 2.3Ghz and 3.4Ghz • Cross border access to be agreed by end 2016.
Access to digital content and services	<ul style="list-style-type: none"> • Maintain territorial licencing to allow for product tailoring, and market or demand-led development of content. • Allow ability to differentiate on price and tailor for consumers. 	<ul style="list-style-type: none"> • Portable access to home member state content on basis of license for use at home. • Develop open access to content on a consumer choice basis, with the ability to buy portable licenses for content from other Member States. 	<ul style="list-style-type: none"> • Where solutions are technologically possible and content is already owned, seek to implement cross border access by end of 2016. • Allow more time to develop the right framework to produce portable licences within the current territorial licencing structure by 2017.
Boosting online commerce activity	<ul style="list-style-type: none"> • Rules regarding information that needs to be made available digitally versus labelling. • Principles for consumer protection best practise. 	<ul style="list-style-type: none"> • Beyond basic requirements, market-led presentation of information should be allowed to prevail. • Maintain best practise in national frameworks. • Technology should not be prescribed – coordination of services must be future proofed. 	<ul style="list-style-type: none"> • Agree which basic rules to harmonise by 2016 and implement by end of 2017.
Data-use & protection	<ul style="list-style-type: none"> • Update data protection principles flexibly • However, a workable framework is required that celebrates the benefits of emerging and established data-use techniques. 	<ul style="list-style-type: none"> • The approach should be outcome focussed for the consumer being careful not to make prescriptions or narrowly define scenarios. • Fines and decisions regarding breach should be made at member state level. 	<ul style="list-style-type: none"> • An <i>immediate</i> overhaul of the debate is required to pass an appropriate new framework. • However, current text shouldn't be rushed through. The Commission needs to push the Council and Parliament for non-prescriptive, principle led and workable text by close of 2015 for agreement in 2016.

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