

Digital Harmonization: Unlocking the untapped potential of the European Single Market

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In recent years, Europe's digital economy has been lagging behind. Andrus Ansip – Vice-President for the Digital Single Market – aims to turn things around and gradually make Europe the global leader in ICT. Transforming the European Single Market into a Connected Digital Single Market would have multiple positive effects. According to Ansip, the completion of such a Digital Single Market could potentially generate up to €250 billion of additional growth in Europe, create hundreds of thousands of new jobs, especially for young job seekers, and foster innovation. In the course of reaching these objectives, Ansip emphasizes the significant role of data protection. He points out that speedy implementation of a data protection directive will be essential.¹

“Trust is a must”.² In the first hearing by the European Parliament, Ansip underlined the importance of trust regarding the achievement of the goals set out in the Digital Agenda. Trust in the Internet and the digital economy will be the basis for strong, accelerated and sustainable economic growth. Nowadays, security flaws and cyber-attacks upset the market and potential consumers. Consequently, customized solutions have to be drawn up to make the internet a safer place for both EU citizens and businesses. To boost economic growth, it is indispensable to gain EU citizens' trust in online purchases as well as to guarantee frictionless and functioning e-commerce for SMEs across borders.³ As for consumers, an increase in e-commerce would speed up the development of new and innovative products, lower prices and enhance the quality of goods and services. At the same time, tearing down regulatory walls

and moving from twenty-eight national markets to one Digital Single Market would offer greater opportunities for companies by dramatically enlarging the number of potential consumers. As a consequence thereof, a Connected Digital Market can serve as an incentive for start-ups in Europe, and thus foster innovation.⁴ In order to restore growth, foster innovation and create new jobs, Ansip will put his focus on encouraging further public-sector and private investment in digital infrastructures, especially in broadband, as well as new technologies such as cloud computing.⁵ Regarding the job market, the EU is facing a growing deficit of ICT professional skills and there is a huge employment potential of ICT professionals which is still not entirely exploited. Hence, it will be the Commission's task to address this issue by taking measures aiming at increasing the production of ICT graduates to bridge the gulf between the demand and supply of ICT specialists in Europe.⁶ However, not only the European labor market lacks sufficient digital skills but also private households. The root cause of this dilemma is limited internet access at home due to cost barriers. A number of households with children and those on low incomes simply cannot afford internet access.⁷ To overcome these unacceptable circumstances, Ansip will need to find a solution to provide internet access to all households at reasonable prices.

Apart from enhancing digital skills amongst EU citizens, the Commission will also focus on next-generation access (NGA) coverage within the EU, which will allow every European citizen to equally benefit from fast and high quality services.

Statistics unveil a lack of NGA coverage, notably in rural areas.⁸

According to Juncker, “Europe’s path to grow is paved with tablets and smartphones”. His statement underlines the importance of electronic devices for private and business purposes and thereby emphasizes the transformative power of digital technologies. For instance, the use of social media allows people to express their opinion freely such as on Twitter, Facebook or YouTube. In other words, it offers greater democratic expression to the individual. In this manner, the Commission will need to pursue the objective of lowering roaming charges to allow consumers using their mobile phones and other mobile devices easy access and cheap prices no matter where they are in the EU.⁹ Whether Ansip and his project team will reach their ambitious goals during their term remains to be seen. However, the Commission will be required to cooperate across portfolios and work closely together as a team to succeed.

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