

A DIGITAL SINGLE MARKET STRATEGY FOR EUROPE

On 7th May members of TSIP (The Savings & Investment Policy project) visited Brussels to meet EU ministers – this couldn't have been more timely, given Europe was focussed on the Digital Single Market (DSM) strategy consultation, and one of TSIP's policy proposals for the UK is the concept of a digital passport.

Whilst it is appreciated that 2017 may now see the UK face an EU referendum with the new Conservative government, UK financial services would be well advised to still follow the implications of this strategy.

More specifically, Vice-President for the Digital Single Market, Andrus Ansip, and Commissioner for the Digital Economy and Society, Günther H. Oettinger, who are leading on the work, has put forward three priority areas

- Better access for consumers and businesses to digital goods and services – requiring the rapid removal of key differences between the online and off-line worlds to break down barriers to cross-border online activity;
- Shaping the environment to allow digital networks and services to flourish - requiring high-speed, secure and trustworthy infrastructures and content services, supported by the right regulatory conditions for investment, fair competition and a level playing field;
- Creating a European digital economy and society with long-term growth potential - investment in ICT infrastructures and technologies is required here, such as cloud computing, big data, research and innovation to boost industrial competitiveness, as well as better public services, inclusiveness and skills.

European Commission President Jean-Claude Juncker is championing the DSM strategy as one of the pillars of his campaign. The sweeping plan unveiled last Wednesday attempts to reconcile different approaches to divisive issues among the 28 member states and jump start a debate to move on the European digital market. Political and economic conditions have changed dramatically in recent years, boosting the chances of some of the new proposals. Cynics however will point to the challenges that remain including technical complexity, entrenched national interests and fast moving innovations that will prove a challenge to the proposed changes. National leaders will take up the plan at the European Council summit next month. The 16 initiatives in the strategy will be divided up among the different arms of the Commission led by directorate general Connect, which is responsible for all things digital. Some of the ground work of this proposal has already been laid by the College of Commissioners which will be followed by views from the European Parliament, and national governments at the European Council, all trying to reach the aims of the strategy document. If the proposal becomes a regulation then it will go into effect immediately thereafter. If it is a more flexible directive, their national governments will have an extra two years to tailor their own approach.

The implications for UK financial services are around copyright reform, e-commerce action plans, internet platforms and taxes parcels. In respect of copyright, Mr Ansip wants to harmonise the various legislative regimes around Europe and allow consumers greater access to copyrighted contents. This would mean the full portability of content. An example would be the BBC's streaming iPlayer, which is currently only available in the UK, frustrating many UK holidaymakers when they are abroad.

TISA will be preparing a brief on the strategy document for its members which will be discussed in policy councils on an ongoing basis to liaise with UK ministers and regulators as well as their European counterparts to help deliver the strategy for both consumers and its members.

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