

The Digital Single Market Strategy

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The opinions expressed in this presentation are personal and do not represent the position of associations where the Author holds management responsibility

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Agenda

- Digital Single Market (DSM) and Single Telecom Market (STM): the strange couple
- The unfortunate destiny of the STM
- The 3 pillars of the DSM
- Some concrete cases of the DSM strategy:
 - Geo-blocking;
 - copyright reform;
 - platform regulation.

The European digital market is not single

- 28 national markets and plenty of operators
 - Legislative fragmentation
 - Telcos prefer to run domestic businesses and plead for domestic consolidation
- Lack of cross-border services:
 - the roaming querelle
 - Only 4% interEU online services (vs. 39% domestic online and 57% US platforms)

The Commission initiatives: the Single Telecom Market (STM)

- A **proposal for a regulation** (Kroes, September 2013) focussing on a various telcos matters
- Very unfortunate initiative:
 - Negative impact assessment;
 - Recourse in front of Ombudsman for lack of consultation
 - Highly contested (in the method) by stakeholders, Berec, governments, European Parliament
- Currently in Trialogue negotiations, restricted to NN and roaming

The Commission initiatives: the Digital Single Market (DSM)

- A **communication** (May 2015), containing a **strategic plan** for the digital action of the new Commission
- Dealing with both telecoms and internet issues
- Specific, concrete proposals by the Commission to be tabled after proper consultations and assessments
- Commission's proposals to need approval by both European Parliament and Council

The 3 pillars of the DSM

- Access (reducing discrepancies between online and offline):
 - e-commerce; parcel delivery; geo-blocking; copyright; VAT
- Environment (creating a fair, competitive digital market):
 - telecoms and media; online platforms; security and data protection;
- Growth (boosting digital economy):
 - big data and data economy; standardisation; skills and e-government;

Geo-blocking

- Why geo-blocking is getting a pivotal role in the DSM strategy
- Justified (law compliance) and unjustified (commercial convenience) geo-blocking
- The cultural exception

The Copyright reform

- Copyright-based services are supplied on national basis
 - artificial territory segmentation like roaming
 - territorial restrictions to be banned
- Need to adapt the copyright framework to digital society and business (social, UGC, researches, public libraries, hyperlinks ...)
- Harmonization of exceptions and limitations
- Link with ISP liability and piracy issues: duty of care

Platform regulation

- A big, political debate, with strong pressures by important stakeholders and governments, relating to
 - Taxation
 - Data protection
 - Dominance regulation
- To time, very little in practice. Two possible scenarios:
 - SMP telco rules to be extended to OTT
 - Antitrust powers to ad/hoc or NRAs
- Concrete proposals will need long time to appear
- In the meanwhile, market can change and DG COMP can adopt leading antitrust decisions

Thank you

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