Digital Single Market Bulletin

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Further Reading: More in-depth updates and commentary on the Digital Single Market agenda is available at:

https://ec.europa.eu/commission/prioriti es/digital-single-market_en

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Overview of the Inter-Departmental Committee on the Digital Single Market

Minister Breen chaired the 12th Meeting of the Inter-Departmental Committee on the Digital Single Market (DSM) on 5th February 2019. At the meeting, Departmental representatives provided updates on a range of issues, including:

- a new EU Digital Strategy – the incumbent Presidency have identified the future development of the Single Market and European Digital Policy in preparation for the next Strategic Agenda as a priority issue. The informal meeting of the TELECOMS Council in March will also include a discussion on the next phase of the DSM and a new EU Digital Strategy.
- reports on the status of developments in relation to EU legislative proposals and negotiations on the Platforms to Business (P2B) Regulation (see below) and Copyright, two files led by DBEI, along with other files being led by other Departments.
- the EU Coordinated Plan on Artificial Intelligence, which was published on 7 December 2018. The Plan is aligned with the Horizon Europe and Digital Europe programmes and runs until 2027 (see below).
- the development of a new National Cybersecurity Strategy which will consider the many developments since the last

strategy and in particular the transposition of the Network and Information Systems Directive. The main purpose of this new legislation is to ensure that there is a common level of cyber security across member states and to safeguard the functioning of critical infrastructure in the country. On the EU side, an EU Cybersecurity Competence Centre will be established to oversee the work of national centres and networks.

- the development of the National Digital Strategy (NDS) which highlighted that a significant number of submissions to the public consultation had been received and there had been extensive engagements with sectoral groups and stakeholders. Top priorities emerging from the process included the need for

a good digital infrastructure, provision for skills and building trust / security. Work on the NDS is progressing and a draft is being prepared which will formulate how these and other priorities can be translated into concrete actions and initiatives.

The Department of Education and Skills noted that the IDC meeting was being held on Online Safety Day and that the Action Plan on Online Safety Progress Report for 2018 being launched by the Minister for Education and Skills on that day too. The Progress Report outlined the achievements of the Action Plan in the first six months of its implementation, from July to December 2018. The Report notes that, across its five goals, 22 of the 26 actions for 2018 have been achieved, with four still ongoing in 2019 due to the nature of the work.

Platforms to Business Regulation

European ministers adopted a General Approach on the Proposal for a Regulation of the European Parliament and of the Council on promoting fairness and transparency for business users of online intermediation services ['platform-to-business regulation' (COM (2018) 238)] at the Competitiveness Council meeting on 29 November 2019.

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On the European Parliament's side, an Internal Market and Consumer Protection Committee report proposing amendments to the Commission's proposal was adopted during the Parliament's plenary session in December 2018.Trilogue negotiations between the two co-legislators commenced thereafter with the third and last Trilogue taking place over 13-14 February 2019, where a compromise agreement between the EU institutions on the proposal was reached.

The main differences between the agreed compromise text and that of the General Approach are as follows:

- the inclusion of the term 'fairness' within the scope of the Regulation;
- increased transparency requirements where the platform controls both the app store and the operating system on which the app store functions;
- the obligation on Platforms to notify users accordingly of decisions to restrict, as well as suspend and terminate, their services to that user;
- the commitment that Platforms will not be obliged to disclose their ranking algorithms;

- increasing the scope of the Regulation to include the bundling of ancillary goods and services;
- the inclusion of increased transparency requirements for, and a prohibition on, certain trading practices;
- Member States being given discretion by which to accomplish 'effective, dissuasive and proportionate' enforcement measures; and
- Increasing the scope of the Review clause within the Regulation.

EU countries formally agreed to the compromise text on 20 February 2019 and it was subsequently forwarded to the European Parliament for final agreement.

Recent Developments in EU AI policy

The EU Coordinated Plan on the Development and Use of Artificial Intelligence Made in Europe was published ahead of schedule on 7 December 2018. The Plan supports European aims to create an innovation friendly ecosystem for AI, providing the necessary infrastructure, research facilities, testing environments, access to finance and skilled workers to allow firms to invest in and deploy AI so that we can all, whether in personal or professional capacity, enjoy the benefits of AI.

Council Conclusions supportive of the Plan's ambitions were adopted at the COMPET Council meeting on 18 February 2019. The Plan will be a living document and a Working Group will regularly review the implementation and scope of the Plan for the period of its application through until 2027.

The High-Level Expert Group on AI, comprising 52 members drawn from academia and industry of the Member States, presented a draft set of AI ethics guidelines to the Directors General Group for Digitising European Industry on 18 December 2018. These guidelines go beyond setting out a number of general principles to be observed. They will involve use cases - practical responses to specific situations which are

expected to occur in the design, development and roll out of AI initiatives. These will inform developers as to the considerations they should make to ensure that their initiatives are properly considered and that potential consequences, both for the economy and society as a whole, are acceptable. A public consultation process on these draft guidelines concluded on 31 January 2019. The guidelines are expected to be launched at European Digital Day on 9 April 2019.

A further report from the Expert Group, in a sub group led by Professor Barry O'Sullivan, Vice Chair, European Commission HLEG on AI and President, EurAI, will provide policy and investment recommendations and is due to be published in May 2019.