Digital Policies Priorities Mission Letter

Dr Christophe Carugati

To the future Executive Vice-President for A Europe Fit for the Digital Age

Dear Executive Vice-President for A Europe Fit for the Digital Age,

This year, Europeans will vote in the European Elections amid profound digital transformation, climate change and geopolitical shifts. We are experiencing rapid and substantial technological advancements that will influence both the European economy and society. While these transformations promise to unlock new business opportunities and drive economic growth, they also present challenges to our climate, competitiveness, and democracy.

The Commission's mission must be to ensure that **digital work for all**. Over the next five years, Europe must fully leverage the potential of digital regulations and technological innovations to deliver positive outcomes for our businesses and citizens in line with our neutral-climate strategies. Simultaneously, we must ensure that Europe has the requisite infrastructure, skills, and knowledge to navigate the opportunities and challenges presented by these advancements. This is particularly crucial as Europe grapples with shaping the future of work and addressing a new geopolitical order and malicious political interference in the digital sphere. In this context, you will have to:

- 1) Continuing the work on the **long-term strategy for Europe's digital decade**. The initial assessment revealed that Europe is falling short of its 2030 targets, particularly concerning digital infrastructure and business transformation. Close collaboration between the Commission and the Member States to identify challenges and implement tailored actions will be essential to effectively address these shortcomings.
- 2) Leading a **new long-term strategy for Europe's digital education**. This strategy will ensure that both businesses and citizens can adeptly and responsibly engage with emerging technologies. It will be structured around three key pillars:
 - a. **Future of Work:** The first pillar will ensure businesses can swiftly adapt to digital transformation. It will involve identifying and implementing tailored actions to



facilitate upskilling and reskilling initiatives for workers, thereby enabling businesses and workers to thrive in an evolving digital landscape.

- b. **Digital Awareness:** The second pillar will foster digital literacy and awareness among businesses and citizens. This will entail launching a large-scale information campaign to educate society about the benefits and risks associated with new technologies. Emphasis will be placed on topics such as artificial intelligence, digital environmental footprint, digital addiction, online polarisation, and identifying and mitigating harmful and illegal content.
- c. **Digital Inclusion:** The third pillar will promote digital inclusion and ensure that all segments of society have equal access to digital education, jobs, and services. This will consist of promoting digital education programs and careers in schools and community centres and developing digital services for minority languages, such as machine-learning models.
- 3) Leading a **new long-term strategy for Europe's digital innovation**. The strategy will position Europe as a leading Hub for innovation in the digital economy to foster our competitiveness. It will focus on three main objectives:
 - a. Developing Pro-Competitive and Pro-Innovative Regulations: It will consist of crafting regulatory frameworks that foster competition and innovation in the digital economy in line with our climate-neutral strategies. This will involve identifying and addressing market and regulatory barriers that impede the development and deployment of digital products and services both within Europe and globally.
 - b. Advancing Research and Development: It will promote research and development activities in the digital domain. This will include providing significant financial support for long-term partnerships between leading research institutions and businesses in view of encouraging follow-up investments on complementary projects by the private sector. Additionally, the strategy will encourage serendipity in project discovery with a dedicated budget for these projects, as chance often catalyses major innovations.
 - c. Fostering International Collaboration: It will promote European digital innovation on a global scale through international collaboration. This may involve forging partnerships, participating in joint research initiatives, and facilitating the exchange of knowledge and expertise with other like-minded democratic countries and regions in domains such as artificial intelligence, telecommunication, and space.

- 4) Proactively conducting **forward-looking market studies of emerging technologies.** This initiative aims to enhance the Commission's understanding of trends in digital markets by delivering a yearly joint report from the Directorate in charge of the digital single market (DG CONNECT) and competition (DG COMP). It will help the Commission to identify and anticipate the opportunities and challenges of emerging technologies on climate, competition and innovation in the digital single market, thereby supporting evidence-based policymaking for pro-competitive and pro-innovative initiatives and regulations at an early development stage.
- 5) Effectively **enforce** and assess digital regulations to ensure they achieve their objectives while minimising regulatory burdens. You will need to allocate sufficient resources in terms of both numbers and skills to enforce regulations effectively. Additionally, it will be essential to conduct an independent regular assessment every two years that evaluates the impact of digital regulations on European businesses and consumers. These assessments will identify inconsistencies, redundancies, and unnecessary regulatory burdens to streamline and improve regulatory frameworks. Accordingly, it will ensure that digital regulations are coherent and effective and promote innovations and growth in the digital single market.
- 6) Establishing an independent European Digital Regulators Forum. This forum will comprise European and national regulators tasked with enforcing digital regulations at the European and national levels to ensure a more coherent digital single market. It will serve as a collaborative platform to ensure consistent enforcement and address current, emerging, and future digital issues across regulatory regimes. This will involve joint enforcement and advocacy actions, including joint cases and joint market studies. Additionally, the forum will support the Commission in both proposing and enforcing digital regulations by sharing insights and assisting investigations.
- 7) Establishing a European Digital Hub. This Hub will serve as a centralised resource to support digital innovators throughout their development journey. It will provide a single point of access at the European level for inquiries related to digital regulations, certifications, funding opportunities, and regulatory sandboxes. It will aim to streamline the regulatory processes to help digital innovators bring their products and services to market more quickly and efficiently. In this task, the Hub will collaborate closely with the European Digital Regulators Forum to address cross-regulatory inquiries and promote consistency in regulatory interpretation and enforcement. Additionally, the Hub will engage with European and national institutions responsible for certifications and funding to ensure seamless and coherent support to facilitate growth and scale-up across Member States.

About

Digital Competition

Digital Competition (<u>digital-competition.com</u>) is a research and advisory firm. Our mission is to advance open digital and competition policies for better innovation. We inform our members and clients on emerging and global digital and competition issues through impartial, forward-looking analyses, shaping policies that foster innovation for all. This comment did not receive any funding.

This Innovation Hub (https://www.digitalpaper is part of our Digital <u>competition.com/digitalinnovationhub</u>). The Hub aims to support digital innovators, ensuring rapid and responsible technological development that benefits all. We leverage expertise and dialogue with competent regulators while maintaining our commitment to full transparency and impartial advice. Our Hub helps innovators understand how their AI and digital-related business practices interact with European current and future regulatory regimes, such as competition and privacy. We also support innovators working with regulators in the context of regulatory sandboxes, when feasible, to test their innovative products and services before bringing them to market. Finally, we contribute to the discussion in designing digital policies that foster digital innovations, especially in the context of the 2024 European elections.

To advance this Hub, we will launch the Digital Innovation Series, providing research to support digital innovators with regulators. We also offer consultations, training sessions, and conferences on the forthcoming European AI Act and EU AI Pact. Contact us to join the Hub as a member and/or for consultation/press inquiries.

Dr. Christophe Carugati



Dr. Christophe Carugati (christophe.carugati@digital-competition.com) is the founder of Digital Competition. He is a renowned and passionate expert on digital and competition issues with a strong reputation for doing impartial, high-quality research. After his PhD in law and economics on Big Data and Competition Law, he is an ex-affiliate fellow at the economic think-tank Bruegel and a lecturer in competition law and economics at Lille University.