



RECOMMENDATIONS TO THE SLOVAK PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

The Slovak Republic will during its EU Presidency lead key debates on transforming Europe into a world class digital economy and on new EU legislative proposals. The recommendations below, from Slovak and international companies, explain how to achieve a European Digital Single Market that embraces digital transformation, innovation, competition, investment and job creation.



Encourage the digitisation of the Slovak and European economy

Digital brings great opportunities for the entire economy. Policy makers can encourage this transformation by incentivising technology uptake to the benefit of companies of all sizes.

Create the right conditions for Slovak and European Internet innovators

Innovative companies depend on a favourable and stable business environment to prosper. Policy makers should avoid creating more red tape and rather support the inception and growth of innovative businesses. This can be achieved by simplified

rules for startups, tax incentives for research and investments, innovation vouchers, clear rules in data protection and consumer rules, flexible employee legislation and applying the permission-free innovation principle.

Encourage the development of online platforms

Online platforms help make Europe's industry world-class by enhancing productivity and competitiveness. Platforms include businesses such as connected cars, news media and e-commerce. They help European consumers find the products and services of their choice at the most competitive price. National and European policy should promote the development and use of platforms and avoid burdensome regulation with unintended consequences.

Maintain liability protections for online intermediaries

The EU's e-Commerce Directive is one of the most important laws for developing Europe's Internet economy. All platforms hosting third party content benefit from its liability protections. Any changes should preserve intermediary protections or else risk unintended and harmful consequences for Europe's digital economy and our online rights.

Enhance cybersecurity

The EU's new Network and Information Security (NIS) Directive will require allocation of resources to implement "state-of-the-art" security controls that "guarantee a level of security appropriate to the risk." Traditional "basic cyber hygiene" needs to be expanded to include advanced threats and unknown attacks. Given the global nature of cyberspace, governments should engage with all relevant industry players as vendors or in public-private partnerships. Governments should enhance security and user trust by allowing strong encryption. Governments should also include education about cyber security in the curriculum, it is a necessary skill for any citizen in the 21st century.



Remove intra-EU data storage and localisation requirements

Slovakia will benefit by allowing companies to move data freely around the European Union. It's companies will have the widest choice of cloud service providers and Slovakia will be able to attract data centre investments.

Enable European information flows to the world

As Europe's economy is becoming increasingly data-driven, companies, big and small, depend on data flows to do business with the rest of the world. The EU should seek to bridge its data protection framework with third countries, such as the United States, who have essentially equivalent protections. The new Privacy Shield for EU-U.S. data transfers is a good example of increasing privacy protections while enabling data flows with the EU's biggest trading partner.

Promote competitive provision of next generation mobile and fixed telecoms networks

Slovak and European telecoms rules should encourage investment and innovation in both networks and services. Innovative online services drive demand and investments in next generation mobile and fixed networks.

Reform copyright and avoid disastrous EU tax on news snippets

The European Commission is considering special levies on online news aggregators – the so-called “ancillary copyright”. Similar laws have failed in Germany, failed in Spain and would fail if introduced at EU-level. Such measures are harmful to the economy, create barriers to entry, and undermine media pluralism. News publishers benefit from innovative online services, which is why many news publishers oppose this measure.

Streaming services create a “value surplus”

Ad-supported streaming services are valuable for cultural diversity, artists and music labels. However, some complain that these services, such as YouTube, are not generating enough revenue (when compared to fully licensed services). We fundamentally disagree. These service provide a revenue stream which has not existed before.

Audiovisual Media Services Directive (AVMSD) review

The Commission is considering reopening the AVMSD. The EU should make sure to respect the “country of origin principle” and to keep the differentiation between linear and non-linear services. Quotas for and prominence of European content should not be introduced as content providers already invest heavily in local content production – a condition of being successful in national markets. The scope of the AVMSD should not be extended to online hosting services, as a regulation made for TV is not appropriate for hosting services.

E-commerce bans hurt Europe's digital economy

As regards sales of tangible goods, so-called platform bans hamper the development of pan-European e-commerce. Manufacturers often prohibit their authorized resellers from selling over platforms like Amazon or eBay. These bans are often unjustified which has led some national competition authorities to take action against them.

A DIGITAL AND COMPETITIVE EUROPE WILL MEAN A DIGITAL AND COMPETITIVE SLOVAKIA. WE LOOK FORWARD TO CONTRIBUTING TO A SUCCESSFUL SLOVAK PRESIDENCY.

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