## ETNO #Dialogue4Tech: new digital tunes with new EU conductors

The "European political orchestra" is in the process of changing its conductors and lead players. Some get to keep their spots, but all have of them are working on a fresh policy repertoire.

Many of the legislative initiatives and policies in the pipeline have to do with a very sensitive issue: the balance between digital freedoms and ensuring responsibility in the digital space. Both are of essence for European democracies and for the socio-economic growth of the content.

We discussed this delicate issue with some of the main stakeholders: the Computer & Communications Industry Association CCIA (Christian Borggren), the recording industry IFPI (Lodovico Benvenuti), and the brands' association AIM (Razvan Antemir) as well as ETNO companies from the Digital Single Market working group.

## Digital transformation is happening now

There is one thing most stakeholders agree with: technology has a huge transformational power, which also comes with significant opportunities. More and more European industrial sectors find themselves in the midst of accelerated digital transformation and they do realise that a strong, united European approach to tech is the key for Europe's next wave of innovation.

However, a swift and successful make-over does not happen overnight. It is rather a complex process that pushes those targeted by disruption to reinvent themselves.

The music industry, for example, has fully embraced digitisation in the past years. As a result, the digital distribution channels account for more than 50% of their content dissemination through streaming. Moreover, digital distribution channels have a tremendous potential for new ways of interaction between companies and citizens: they empower consumers to be in touch with their favourite brands in a swifter way and are available digitally, 24/7.

## Europe needs to start winning again at digital innovation

Europe has not found a winning formula to win in the digital space (yet). There is more work to be done by EU's new conductors so that European consumers can build on benefit from more digital success stories.

With 5G starting to launch in various parts of the Continent and finding its way to our pockets, homes or cars, there is an increasingly untapped potential for content, entertainment and digitisation of a range of traditional industries. 5G will empower technologies such as Internet of Things, Artificial Intelligence or Virtual Reality, making space for new business models, including in the entertainment and distribution industries.

Innovation cycles do not come very often on EU soil. Now there is a chance to decide if we want to lead or lose: EU's tech leadership and fresh new socio-economic growth could benefit at full speed from the right approach in seizing this digital opportunity. With smart and evidence-based regulation,

the EU could be equipped with more powerful tools to compete with other global superpowers. And this is no easy task; the EU market has a competitive disadvantage due to market fragmentation. The Digital Single Market could fuel hopes, but the opportunity is not seized yet.

When it comes to more specific files, trade associations and stakeholders will be looking, among others, at:

- **The possible work on the Digital Services Act**: a horizontal view of the sector and a review each players' role in the online space. Stakeholders underline evidence-based regulation remains paramount and that a proper assessment of the regulatory gaps is needed.

- **The future of the e-commerce Directive**. Stakeholders argued from different positions concerning the main pillars of EU's liability scheme and the debate included examples of some of the risks and opportunities that might result from a possible re-opening of the Directive, which should be carefully assessed.

- **The implementation of the Copyright Directive** remains on top of everybody's agenda: the work does not end with its approval.

The stakeholders who have participated in this "Dialogue for Tech Leadership" agreed that there are signs of hope after having followed the rehearsals of EU's new political orchestra. By continuing the Digital Single Market project while promoting investment incentives, European consumers will enjoy a new breadth of digital goods.

## Coming up

The "Dialogue for Tech Leadership" meetings continue at ETNO. Next policy discussion in line is on digital services and users' needs. Stay tuned.

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