The EU Digital Single Market

F Momboisse, Ecommerce Europe – February 4, 2015

The voice of the e-commerce industry
Representing 25.000+ companies through lobbying, advocacy, and networking

17 National associations

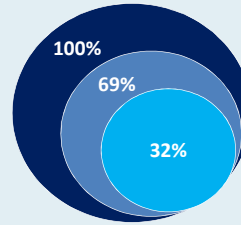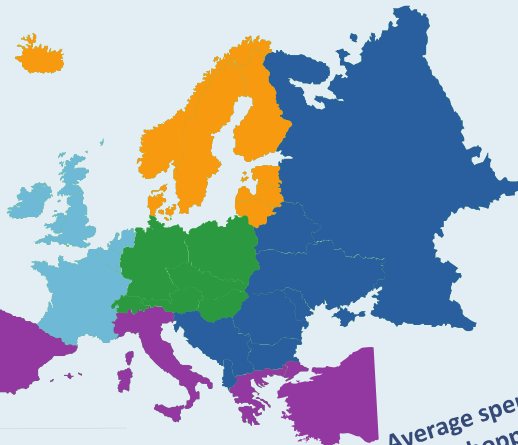**39** Company members

34 Business partners

504 Registered web shops

Europe
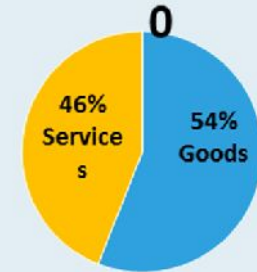## 2013 Key B2C E-commerce Data of Goods and Services at a Glance

ECOMMERCE EUROPE

West   € 177.7 bn +12.4%
Central   € 93.3 bn +22.7%
South   € 40.8 bn +18.9%
North   € 33.2 bn +12.2%
East   € 19.3 bn +47.3%

Europe
€ 364.3 bn 17.5%
EU28
€ 317.9 bn 14.7%

2.2% eGDP
€ 16.4 trn GDP 2013

2,▮▮▮,▮▮▮+
jobs directly or indirectly via e-commerce
645,000+
estimated online businesses
3.7 billion+
number of parcels annually (f)

100%
69%
32%

816 million
people live in Europe
565 million
people use the Internet
264 million
people are e-shoppers

€ 364.3 bn
Turnover E-commerce
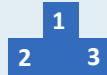Goods & Services

46% Services
54% Goods

€ 1,376
Average spending per e-shopper

224 million e-households

5.7%
Estimated share of online goods in total retail of goods

"443 million social media users"

Top 5 mature e-commerce countries in turnover
UK   € 107.1 bn
Germany   € 63.4 bn
France   € 51.1 bn
Austria   € 10.9 bn
Netherlands   € 10.5 bn

Top emerging countries
Russia   € 15.5 bn
Spain   € 14.4 bn
Italy   € 11.2 bn
Poland   € 5.2 bn

UK, Germany, France account for 61% of total e-commerce sales in Europe
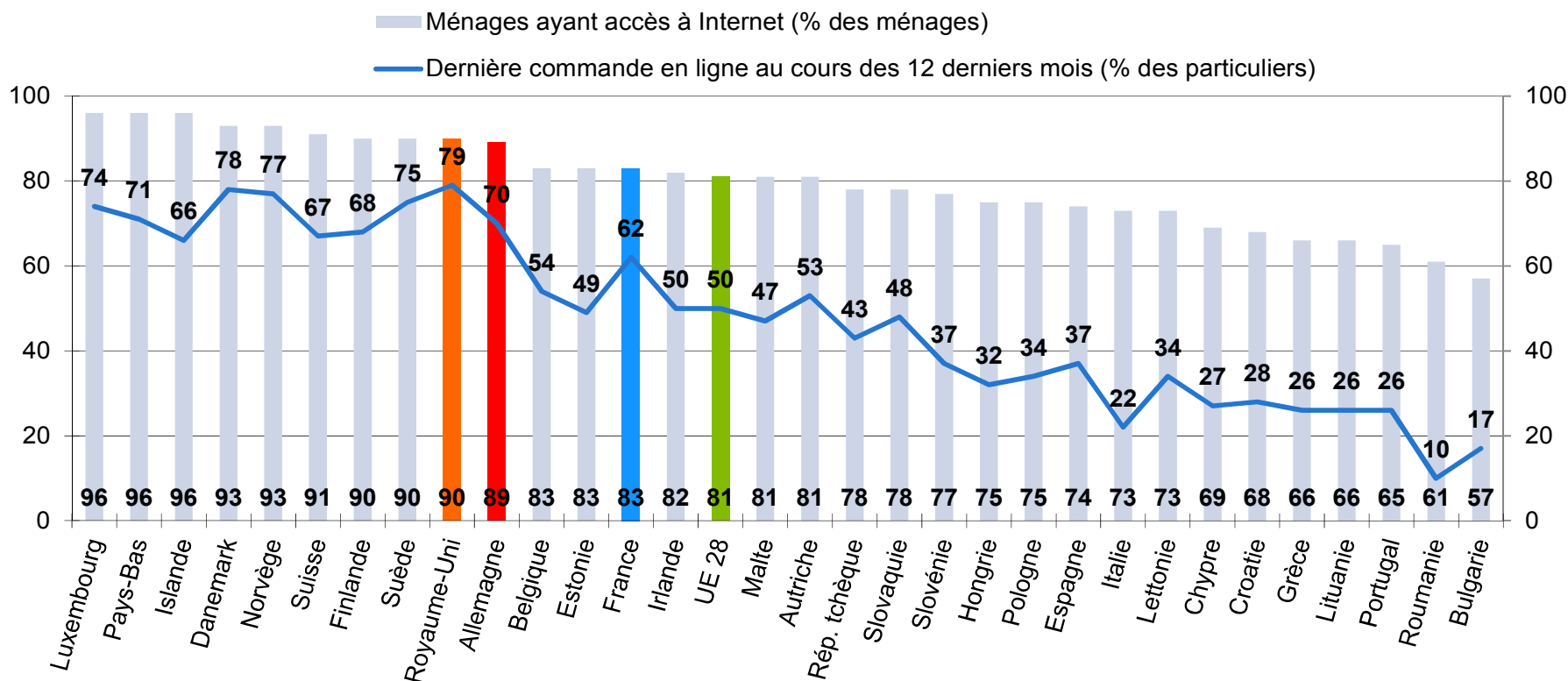
The Digital Single Market Strategy

Priorities of DSM:

1. Breaking down national silos in telecoms regulation (copyright / data protection)

2. Finalizing **data protection and preparing a reform of e-privacy**   **xxx**

3. Making **taxation and competition rules conducive** to a higher level of public and private investment and adapt application of competition rules to DSM

4. **Same level** of consumer rules and **simplifying consumer rules** for online purchases   **xxx**

5. Abolish data roaming charges

6. Design framework that drives creation of **innovative start-ups** and promote creative industries

7. Help developments as **the cloud, internet of things and big data thrive** the EU

8. Fight against cybercrime

9. Mobilize public and private investment for digital infrastructure   **xxx**

10. Boosting **digital skills and learning**

Priority #9: digital infrastructure

Ménages ayant accès à Internet (% des ménages)

Dernière commande en ligne au cours des 12 derniers mois (% des particuliers)

Source : Fevad à partir des données Eurostat 2014

Ecommerce Europe's vision on DSM

Positive factors:

o Harmonisation of consumer law (thru Consumer Rights Directive) well underway

o Growing number of consumers buying from "foreign" stores, often via the marketplaces of "local" stores

o High growth rate of Ecommerce (Commission estimates 7x that of the rest of economy)

Ecommerce Europe's vision on DSM

Still to be solved:

- Different sets of rules for data protection, contract law, parcel delivery, tax administration, etc.

- "Opening a new country" still a complex operation for webshops

- Different consumer habits (language, payments, local competition, pricings, ..) may lead to lack of trust in cross-border ecommerce

Some concrete examples:

- Uncertainty on foreign privacy laws
- Different VAT rules (15% LUX - 25% SWE)
- Customs bottlenecks
- Differences / extra charges on payments for consumers/online shops
- Slow, costly, unreliable parcel delivery

- Survey Barriers to Growth

- Research reports

- Webportal e-Logistics

- European Trustmark

- Ecommerce Europe Annual Conference
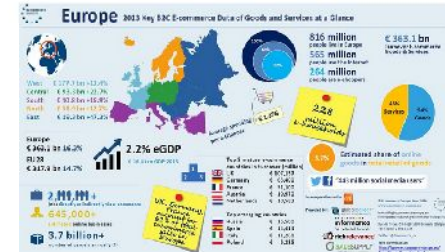
Survey barriers to go cross border

- **Large / medium size companies**
  - o Survey underway across 16 coutries
  - o Results due early June (presented in Barcelona)

- **Small size companies**
  - o Survey done last december (411 shops, 3 countries F / UK / Spain)
  - o Small shops (< 5 employees)
  - o 52% sell abroad
  - o Top 3 reasons for not going abroad / obstacles seen:
    - 37% logistics: ability to conclude contracts to deliver abroad at a good cost
    - 33% language: ability to translate the web store, to handle customer care in foreign language, ..
    - 28% payments: ability to offer the right payment techniques, suited to the countries

Ecommerce Europe's Priorities DSM

Longer term

1. Harmonization **of existing legal frameworks.**

2. A European **one-stop-shop** on rules for**:** VAT and Taxation, data protection and privacy, parcel delivery, consumer rights and dispute resolution and online payments.

Ecommerce Europe's Priorities DSM

Short /medium term

1. **Harmonization** of legislation for privacy and security top priority (data protection / e-Privacy).

2. **Simplification of consumer rules** for online purchases and a basis to solve disputes in a simple, fast and low cost way.

3. Clarify European VAT registration through an **extended Mini One Stop Shop** and **a common European threshold**.

4. Strengthen **pan-European action for fair competition**.

5. Conclude the creation of a **pan-European framework for online payments**.

6. Stimulate the **parcel delivery market to innovate, by harmonizing customs regimes** and making their timing more predictable.

Completing the Digital Single Market

An integrated perspective on five key policy areas

- **Internet Security & Data Protection**

  Harmonization with room for innovation

- **Consumer Rights**

  Simplification, self-regulation, and competition

- **e-Payments**

  Focus on mobile and stimulate innovation

- **Taxation**

  Harmonize VAT and expand Mini-One-Stop-Shop

- **e-Logistics**

  More efficient cross-border parcel delivery

Amazon in Europe: 6 different stores

Homepage Amazon NL Fr De UK Feb 2, 2015, 3pm

Bestbuy in the USA: 2 different stores

Thank you!

Questions? info@ecommerce-europe.eu or Twitter: @Ecommerce_EU

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