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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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European Investment Bank Report: The Digitalisation of small and medium enterprises in Ireland



From L-R: Dr Orlaigh Quinn, Secretary-General, DBEI; Andrew McDowell, Vice-President EIB; Pat Breen, T.D., Minister of State for Trade, Employment, Business, EU Digital Single Market and Data Protection and Simon Barnes, Director, Advisory Services, EIB.

On 7 March 2019, Mr Pat Breen, T.D., Minister for Trade, Employment, Business, EU Digital Single Market and Data formally accepted a report entitled "The Digitalisation of small and medium enterprises in Ireland" from Andrew McDowell, Vice President of the European Investment Bank.

The report recommends that the Irish Government adopt measures ensuring that:

- the benefits of digitalising traditional sectors of the economy are well understood by different stakeholders; and
- traditional SMEs that are willing to seize digital opportunities have access to adequate funding.

The report highlights that almost 40% of traditional Irish indigenous companies completely lack digital assets and that Ireland lags behind leading EU28 countries in terms of e-business processes and e-business technology adoption. The report also found that there is a very limited appetite from traditional Irish SMEs for digital investment in products, processes or business models due to the following market failures:

Knowledge gap: With the rapid pace of change in digital technologies, many companies have difficulties deciding when to invest, up to what level and in which innovative field. Ultimately, not enough companies know how to translate the use of

technologies into economic impact, and how to build a new incremental business.

<u>Financing gap:</u> SMEs are often unwilling to apply for loans given the high cost of credit in Ireland. Banks are reluctant to provide loans, often with a higher risk profile, for investments in digital technologies.

The report has developed and proposed tailored targeted solutions and financing instruments, both short and longer term, to mitigate these challenges to be considered by the Irish Government.

Based on this approach, the Department of Business, Enterprise and Innovation is in the process of developing a pilot scheme aimed at addressing the difficulty that SMEs have in accessing finance to obtain the benefits of digitalisation. This pilot scheme alongside the Future Loan Growth Scheme committed to in Future Jobs 2019 are targeted Government of Ireland measures to address the clearly defined market failures outlined in the report.

An <u>Executive Summary</u> of the Report is available on the publications page of Department's website at <u>www.dbei.gov.ie</u>.

OECD Going Digital Summit

The OECD Going Digital Summit held on the 11-12 March 2019 presented key insights and policy messages from the OECD Going Digital project carried out over 2017-18 under the leadership of the OECD Committee on Digital Economy Policy.

The Summit was the high-level closing event of the two-year OECD Going Digital Project. This phase of the Project aims at increasing an understanding of the drivers of digital transformation and offers a whole-of-economy and society perspective on key digital trends, impacts, and issues that require coordinated policy action. It also sets out an ambitious future digital agenda for the OECD and beyond.



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At the Summit, the OECD presented the project's main findings and policy messages, including the final synthesis report, its companion publication on Measuring the Digital Transformation, and the Going Digital Toolkit, a new website that will grow to include indicators, evidence, experiences and innovative policy practices.

The summit brought together high-level policy makers responsible for policies related to the digital economy and key stakeholders to exchange views and share practices and experiences in key areas of policy, look toward the future, and provide ideas for future OECD work. The agenda reflected the seven pillars of the OECD's Going Digital integrated policy framework:

- 1. enhancing access;
- 2. increasing effective use;
- 3. unleashing innovation;
- ensuring jobs;
- promoting social prosperity;
- 6. strengthening trust; and
- 7. fostering market openness.

The intensive programme for the event featured a wide range of topics, including sessions on jobs in the digital age; trade, investment and competition in the digital age; strategies for digital transformation; addressing digital divides; making digital transformation work for growth & productivity; and realising the potential of new digital technologies.

Further information, including webcast replays of both days of the Summit, is available at: http://www.oecd.org/going-digital/summit/.

Public Consultation on Regulation of Harmful Online Content and Implementation of revised AVMS Directive

The Department of Communications, Climate Action and Environment (DCCAE) is conducting a public consultation on the Regulation of Harmful Online Content and the Implementation of the revised Audio-visual Media Services Directive.

The consultation aims at seeking the views of citizens and stakeholders as to an achievable, proportionate and effective approach to regulating harmful content, particularly online, with a view to introducing new regulation in this area in four key strands:

- Strand 1: New online safety laws to apply to Irish residents
- Strand 2: Regulation of Video Sharing Platforms
- Strand 3: Regulation of on demand services (e.g. RTE Player, Virgin Media player, iTunes)
- Strand 4: Minor changes to Regulation of Traditional TV

The DCCAE is seeking the views of the public and all stakeholders on how Ireland should introduce legislation for the regulation of harmful online content at a national level (strand 1) and the implementation of the revised Audio-visual Media Services (AVMS) Directive (Strands 2-4).

Submissions under this consultation can be made by completing the online form which is available on the DCCAE website (www.dccae.ie), by emailing the completed form to

onlinesafetyconsultation@dccae.gov.ie or by posting it to the Broadcasting & Media Policy Division, Department of Communications, Climate Action & Environment, 29-31 Adelaide Road, Dublin D02 X285. The questions contained in the form should be read in conjunction with the accompanying explanatory note.

The deadline for submissions under the Harmful Online Content /AVMS Directive consultation is **close of business on 15 April 2019**.

National Cyber Security Strategy Public Consultation

The Department of Communications, Climate Action and Environment (DCCAE) is conducting a public consultation on a new National Cyber Security Strategy.

The 2015 National Cyber Security Strategy established an initial set of measures and has led to the ongoing development of the National Cyber Security Centre and a new legislatively-based approach to the protection of critical national infrastructure. However, the challenges for policy are such that continued evolution is critical; the next National Cyber Security Strategy marks an opportunity to adapt and implement national policy responses across Government to meet these emerging challenges. The consultation is seeking responses and ideas to 10 specific questions under the key themes of 'Protect', 'Develop' and 'Engage' as to how the State can respond to the challenges and opportunities arising.

Submissions under this consultation can be made by completing the online form which is available on the DCCAE website (www.dccae.ie), by emailing the completed form to

cybersecurityconsultations@dccae.gov.ie or by posting it to the Internet Policy Division, Department of Communications, Climate Action & Environment, 29-31 Adelaide Road, Dublin D02 X285. The questions contained in the form should be read in conjunction with the accompanying explanatory note.

The deadline for submissions under the National Cyber Security Strategy consultation is **close of business on Wednesday 1st May 2019**.

This Bulletin is issued by the EU Digital Single Market and Digital Economy Unit of the Department of Business, Enterprise & Innovation. The Unit supports the Minister of State for Trade, Employment, Business, EU Digital Single Market and Data Protection on DSM issues with the cooperation of the members of the Digital Single Market Inter-Departmental Committee.