



A new plan to boost Europe's digital economy, by Zach Meyers of the CER

In the face of an ageing population and industrial challenges from global competitors, particularly China and the US, Europe must boost its productivity by fostering the digital economy. The European Commission must help European firms to digitalise and provide innovative tech companies with optimal conditions for success.

In a new paper, 'Helping Europe's digital economy take off: An agenda for the next Commission', the CER's assistant director Zach Meyers acknowledges that many of the constraints on Europe's digital economy, like skills shortages and fragmented capital markets, will take years to achieve results. But the Commission can take some immediate steps. The paper proposes three short-term priorities for the next Commission to boost digital growth:

- ★ Ensure the EU's tech rulebook is properly and consistently implemented and enforced, and amend it where necessary to ensure it provides a clear and future-proofed set of rules. Good regulation can boost innovation and growth but the Commission should ask why the bloc's digital rules have not helped Europe lead in cutting-edge tech markets.
- ★ Unlock Europe's data economy by updating the regulatory framework to promote privacy-friendly data-driven innovation for example, through the use of anonymised and synthetic datasets.
- ★ Support investment in resilient, robust and high-quality digital connectivity by making it easier to roll out new infrastructure, ensuring competition drives new investment, and supporting a true single market for telecoms across Europe.

The paper concludes that Europe has enormous strengths to build from. These include its values-driven approach to building regulating technology; its single market which helps create opportunities for European businesses; and its open approach to trade, which helps European firms access global markets and facilitates their use of the best technologies available globally.

The author of the paper, Zach Meyers, said: "The number of European tech start-ups has grown dramatically in recent years. The task for the next Commission is to capitalise on this opportunity – by giving these firms opportunities to scale and thrive, and by ensuring all sectors of the European economy can take full advantage of new innovation".





Notes for editors:

For further information on the new research and to request an interview with Zach Meyers <u>@Zach_CER</u> and <u>@zach-cer.bsky.social</u> please contact Octavia Hughes in the CER press office on <u>pressoffice@cer.eu</u> or +44 (0) 20 7233 1199.

The Centre for European Reform is a think-tank devoted to making the EU work better and strengthening its role in the world. The CER is pro-European but not uncritical. Follow us on X: <u>@CER_EU</u> on BlueSky: <u>@centreeuropeanref.bsky.social</u> on Threads: <u>@cer_eu</u>

This policy brief was written thanks to generous support from Europe Unlocked. The views are those of the author alone.