

ASG Analysis: A Digital Future Comes into View as the EU Sets its Agenda

March 17, 2021

Summary

- In December, the European Union proposed a transatlantic digital agenda aimed at cooperation with the Biden administration. This partnership could be central to establishing a democratic foundation for the global digital economy.
- In recent weeks, the EU has set schedules and goals for key elements of its new tech agenda. It will now be up to the Biden administration to respond. For companies and others hoping to engage with those deciding these issues, the game clock has been set.

Analysis

- In December, the EU proposed a venue for transatlantic discussion, the EU-U.S. Trade and Technology Council, and two key pieces of legislation, the [Digital Services Act](#) (DSA) and [Digital Markets Act](#) (DMA). The DSA and DMA could reshape the digital economy by establishing rules for online content and advertising and by regulating the power of large digital platforms.
- The Biden administration, working through multiple crises and typical transition issues, has signaled its interest in working with the EU but has not responded officially or designated a senior official to manage its ambitious digital agenda. This contrasts to the administration's work in Asia, where the early appointment of a senior official to manage relationships contributed to last week's Quad meeting of the U.S., Australia, Japan, and India.
- In March, the EU accelerated its digital agenda with two steps. First, after consultations with the European Commission, the EU Parliament announced a schedule (see below) for the consideration of the DSA and the DMA. A committee vote is planned for November 8 and a plenary vote for December, with the goal of closing the files by the end of France's EU Council presidency in June 2022. The deadline for submitting amendments will be July 1.
- The EU hopes to start negotiations among the Parliament, Commission, and Council of member states early in 2022. This will require progress in discussions among member states in the second half of 2021. One hurdle will be reconciling the DSA and DMA with national legislation: countries such as Germany and France, impatient with the slow pace of the EU's legislative process, have already implemented their own versions of the DSA. ASG believes that agreement on the DSA and

DMA in 2022 will be difficult, but the longer that the U.S. waits to weigh in the more that EU positions will take shape.

- Second, on March 9, 2021, the Commission outlined plans for “Europe’s Digital Decade,” including workforce and industrial goals for 2030 such as 20 percent of global semi-conductor production in Europe and 20 million ICT professionals within the EU. These targets would help Europe achieve shorter and more resilient tech supply chains. Commission Vice President Margarethe Vestager also tweeted a goal of “twice as many unicorns,” strongly suggesting the emergence of an EU policy toward building global leadership in the tech sector.
- Some recent appointments in Washington, particularly of academics critical of U.S.-based platform companies’ scale, suggest that common ground might be found between traditional U.S. preferences for the market and the EU’s desire to re-shape the rules of the game. But the Biden administration, and companies interested in the outcome of Europe’s process, should begin work now.

DSA and DMA Timetable (in IMCO)

Deadline to send draft report to translation	May 28, 2021
Consideration of draft report	June 21, 2021
Deadline for tabling amendments	July 1
Committee vote	November 8, 2021
Plenary vote	December (TBC)

About ASG

Albright Stonebridge Group (ASG) is the premier global strategy and commercial diplomacy firm. We help clients understand and successfully navigate the intersection of public, private, and social sectors in international markets. ASG’s worldwide team has served clients in more than 120 countries.

ASG’s [Europe Practice](#) has extensive experience helping clients navigate markets across Europe and Eurasia. For questions or to arrange a follow-up conversation please contact [Mary Trichka](#).