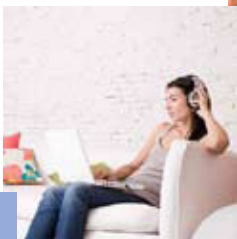
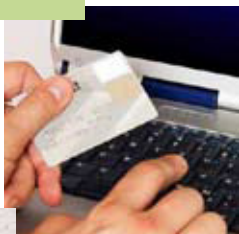
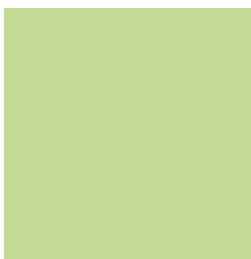


# ANNUAL REPORT



# Table of Contents

- 02 Welcome note
- 02 Organisation
- 03 Public Affairs Programme: Outreach
- 04 Events/Reports
- 05 Public Affairs Programme: Copyright
- 06 Public Affairs Programme: Consumer Affairs
- 08 Public Affairs Programme: Intermediary Liability
- 09 Other activities
- 10 Governance / Conclusion

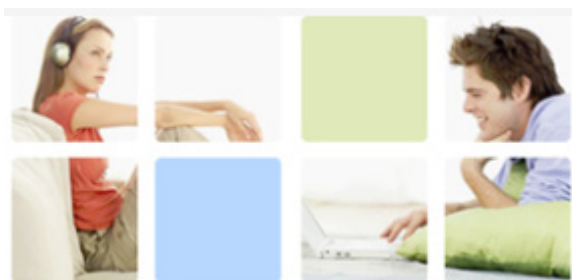
# Welcome Note

The past year has been a very busy and exciting year for EDiMA. As more Europeans continue to develop their digital skills and take advantage of the endless possibilities the online environment offers in terms of communication, commerce, education and culture, EDiMA and its members continue to ensure that Europe maintains a digital outlook for the future.

The policy and regulatory landscapes in Europe over the past year were marked by major developments in many areas, including copyright, cybersecurity, data protection online payments and intellectual property rights to name but a few as well as in many other arenas where developments in European case law have had a direct impact on our industry as well. The continued efforts of EDiMA and its members ensured that the Internet and online platforms remain safe, accessible and profitable for European businesses and consumers. These efforts were highlighted by EDiMA representatives in ongoing outreach to EU policymakers and stakeholders at large.

In the past year, EDiMA also welcome a new member to the association; facebook. facebook is one of the largest social networks and an active member in the European online community. EDiMA was happy to welcome Facebook on board as a Board member and as an active contributor to EDiMA's work on a diverse range of emerging issues.

For EDiMA, the upcoming year will be one that sets the scene for the European legislative landscape in which our industry will operate in the next few years and we look forward to be able to capitalise on the innovation that our industry has to offer and to work towards ensuring a European legislative environment that is conducive and accepting to these offers .



Siada El Ramly  
Director General  
EDiMA

# Organisation

## EDiMA Officers (2013 - 2014)

- President: Katarzyna Lasota Heller, MIH Group/PayU
- Vice President: Zuzana Pucikova, Amazon EU
- Vice President: Jean-Jacques Sahel, Microsoft

## EDiMA Officers (2013 - 2014)

- Siada El Ramly Director General
- Lucy C. Cronin Executive Director
- Wes Himes Executive Director
- Stephen Turner Policy Officer

## EDiMA Board Members (2013 -2014)

- Allegro
- Amazon
- Apple
- eBay
- facebook
- Google
- Microsoft
- Nokia
- Yahoo!

## EDiMA General Members (2013 - 2014)

- Expedia

# Public Affairs Programme: Outreach

As of April 2013, EDiMA held over 140 meetings with EU policy makers from the European Commission, Parliament and Council, covering over 10 unique policy and legislative issue areas.

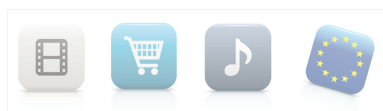
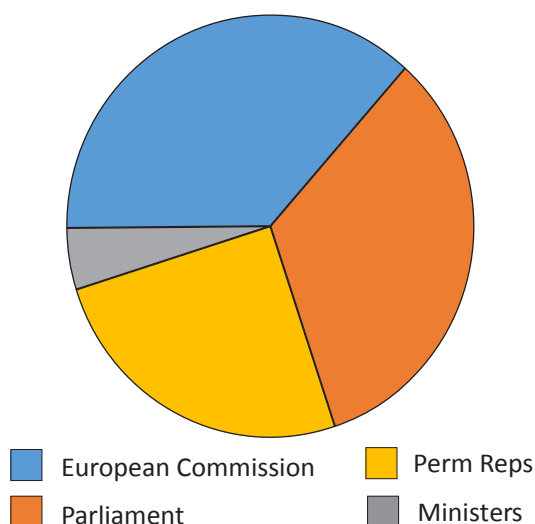
To further strengthen EDiMA's role in ongoing discussions within the Commission, and to continue to anticipate upcoming policy and legislative actions, EDiMA held VIP meetings with Commissioners and Cabinets, including meetings with Vice-President Reding and Barnier and numerous meetings with the cabinets of Commission Vice-President Viviane Reding (Commissioner for Justice), Vice- President Neelie Kroes (Commissioner for the Digital Agenda for Europe), Vice-President Antonio Tajani (Commissioner for Industry and Entrepreneurship), Commissioner Michel Barnier (Commissioner for Internal Market and Services), Commissioner Androulla Vassiliou (Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth), and Commissioner Karel De Gucht (Commissioner for Trade).

During the Irish, Lithuanian Presidencies and Greek, EDiMA met with Ministers and/or Ministry representatives to discuss concerns at both the European and Member State levels. EDiMA met with representatives from the Irish Ministries to discuss the ongoing data protection package review, notice and action procedures, copyright, and the economic impact of the digital media industry in Europe, as well as with the Lithuanian Presidency and experts from

the Lithuanian Ministry of Culture on copyright related issues. Furthermore, EDiMA met with representatives of the Greek Ministries on the issues of the Data Protection and Information Security during the Presidency.

Furthermore, in the past 12 months EDiMA has had regular contact with high level officials within the services of DG CONNECT and MARKT e.g. a number of meetings with DG CONNECT Director General Robert Madelin and Director Giuseppe Abbamonte, DG MARKT Deputy Director General Pierre Delsaux and Director Claire Bury.

## EDiMA Meetings



# Events/Reports

In 2013 EDiMA published a report with Copenhagen Economics entitled “The impact of online intermediaries on the EU economy.” The 2013 report provided an updated on EDiMA’s 2012 report, “Assessing the economic impact of the EU’s liability regime”, demonstrating the increasing contribution made by online intermediaries to the EU economy, where intermediaries’ activities in the EU contributed around 420 billion Euros to the GDP of the EU27 in 2012.

The report was circulated to officials within the European Parliament and Commission and in July 2013 the Study was presented at a European Internet Foundation dinner in the European Parliament on the “Economic Impact of the Internet” and again in October at an OHIM statistics and economics working group meeting.



## EU Internet Month / 5th Annual European E-Commerce Conference Brussels, 15th October 2013

In October, EDiMA co-hosted the 5th Annual European E-Commerce Conference in Brussels, together with the European Commission, EMOTA, the European Multi-channel and Online Trade Association and Forum Europe. The conference attracted more than 200 delegates representing businesses, consumer groups and EU policy makers, to discuss and debate initiatives aimed at promoting the development of e-commerce in Europe and at achieving the full potential of the Digital Single Market within the European Union.



The conference provided an opportunity for EDiMA to highlight issues of key importance to the membership and to raise questions on issues regarding payment services and online security, as well as other key areas to e-commerce including the harmonisation of consumer legislation across Europe, raising consumer confidence online, and new trends in e-commerce, including upcoming business models.

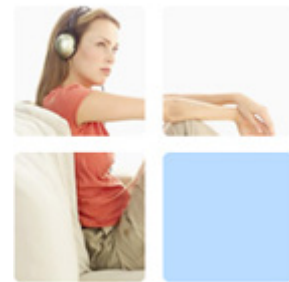


# Public Affairs Programme: Copyright

*Jeremy Rollison (Nokia/Microsoft) was elected the new Chair for the Copyright and Licensing Working Group for the year 2013-2014, replacing Saskia Horsch (Amazon) as of late 2013.*

## European Copyright package review

In December 2013 the European Commission published a public consultation on the review of the EU Copyright rules. EDiMA took part in the process and provided the Commission with a consultation response. The consultations response provide EDiMA with the possibility to find agreement between the members on a much broader copyright agenda than ever before. Following the submission of the response to the consultation EDiMA held a number of meetings with Commission Cabinets and services of various DGs. In order to supplement the work done in this space EDiMA also drafted a paper outlining the positive link between Technology and Culture in Europe today.



## Licenses for Europe

Following the launch of the “Licenses for Europe” initiative by the European Commission, EDiMA was invited to participate as an observer in the working groups as well as at plenary discussions.

EDiMA followed the activities of the process very carefully and reported back to the membership

As the Licenses for Europe working groups finalised, EDiMA sent a letter to the Commissioners of the DGs responsible for Licenses for Europe, along with members working in the various departments, in response to the conclusions and outcomes of the working groups as well as the Licenses for Europe process overall.



## Green Paper on Preparing for a Fully Converged Audiovisual World: Growth, Creation and Values

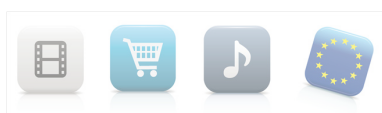
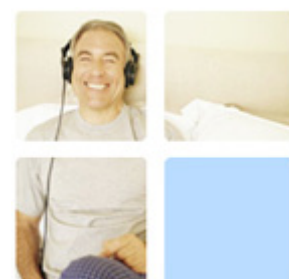
EDiMA provided a response to the European Commission consultation on the Green Paper on Preparing for a Fully Converged Audiovisual World: Growth, Creation and Values in September 2013. The Green Paper consultation aimed to open a public discussion on the implications of the on-going transformation of the audiovisual media landscape, characterised by a steady increase in the convergence of media services and the way in which these services are consumed and delivered.

Since then EDiMA has been an active participant in the “Media Talks” stakeholder dialogue that was launched by DG CONNECT to follow-up on the Green Paper.



## Private copying levies

EDiMA along with eight other representative of Europe’s ICT industry and civil society united to express their concerns with MEP Castex’ report on private copying levies in the European Parliament ahead of the committee vote with a joint position paper sent out to all members of the JURI Committee.



## Collective Management of Copyright Directive

EDiMA was heavily engaged in the discussions and issues throughout the process of finalising the Directive on the Collective Management of Copyright. The Directive aimed at improving the way collective management organisation were managed, establishing a common set of standards on multi-territorial licensing, and creating condition that would expand the legal offers for online music, among others. EDiMA was active in discussions leading up the adoption of the Directive, holding over 30 meetings with MEPs, Commission officials, targeted permanent representatives and Member State ministries.

The ongoing discussion on the Directive allowed EDiMA to align with other associations and establish common agreements on key issues. These informal discussions lead to strategic partnerships across associations and industry groups, leading to a joint industry statement on the Directive, which was sent out to all JURI Committee members and another joint statement in response to the trilogue discussions. Further outreach was carried out throughout the trilogue negotiations with Member State representatives, the Commission services and Commissioner Cabinets and with the office of the Rapporteur at the European Parliament.

## Public Affairs Programme: Consumer Affairs

*"EDiMA has played an important role in ensuring that the voices of European and international Internet and new media companies continue to foster a greater European online economy and digital single market that provides greater access and security for consumers."*

**Jan Barnes, eBay, Chair of EDiMA Consumer Policy Working Group**

*Jan Barnes, eBay, was the Chair of EDiMA Consumer Policy Working Group for the past year 2013-2014*

## Data Protection

EDiMA developed a position on Data protection while the issue was being discussed at the European Parliament and has since then used the content of the initial position on various occasions in its discussions with the various institutions. Furthermore, EDiMA has developed some key input on the issue of One-Stop-Shop on which EDiMA is deemed a leader amongst its peer associations in Brussels.

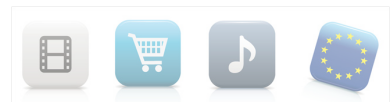
EDiMA maintained a key role in the discussions on the EU data protection package review at both the EU level; with meetings taking place with members of the European Parliament, Commission and Council, as well as with Member States, through meetings with ministry representatives from all the Presidencies in the last 12 months. The main legislation steering the debate on the review of the EU data protection laws included both the European Commission proposed General Data Protection Regulation (GDPR) and Directive, with EDiMA's efforts focused the GDPR and on ensuring that the one-stop-shop (OSS) provision remains included in the Regulation and on the radar of discussions going forward.

## Industry Coalition for Data Protection (ICDP)

EDiMA is one of the most active members of the Industry Coalition for Data Protection (ICDP) and a driver of the programme of the coalition. ICDP is a coalition of 17 Trade Associations active on the data protection file at a European level.

ICDP organised a dinner in the European Parliament in Strasbourg, which was hosted by MEP Ludford (UK, ALDE) and was attended by Other key MEPs. The theme of the dinner was "data protection in the digital economy" and included presentations from European industry representatives from both SMEs and large organisations.

EDiMA completes the majority of their work through the ICDP, where the role of EDiMA is growing. Thanks to the hard work of EDiMA's members, the coalition endorsed EDiMA's views on to one-stop-shop (OSS) and EDiMA's key messages were presented to Member States and European Council representatives ahead of the Justice and Home Affairs Council.



EDiMA also managed to convince ICDP to hold a breakfast with the members of the Council Working Group to discuss One Stop Shop. This event was a great success as it allowed for the EDiMA/ICDP position to be discussed openly with the members of the DAPIX at a time when they were discussing the issues at the Council WG.

EDiMA member Chris Sherwood (Allegro) spoke on behalf of the ICDP at the 4th Annual European Data Protection and Privacy conference in September 2013 on how the new proposed data protection rules will shape the European digital landscape.

Siada El Ramly (EDiMA DG) also spoke to the press on behalf of ICDP on a few occasions as part of the coalition's background briefings to targeted Press contacts.

ICDP has also ensured to send a letter with its key position statements to Member State Ministers of Justice ahead of every Justice Council meeting in the past year.

## Cybersecurity

EDiMA supports the objective of fostering a secure and trustworthy digital environment in the EU, and the proposed Network and Information Security (NIS) Directive aims to present an opportunity to achieve a coherent and coordinated approach to network and information security across the European Union. EDiMA does however believe that it is essential that the proposed Directive on Network and Information Security strikes a balance between its aspirations to create a stable cybersecurity approach across the EU without becoming a burdensome and duplicative exercise for enterprises that will need to comply with the legislation. Hence EDiMA has been very involved in the issue from the beginning,

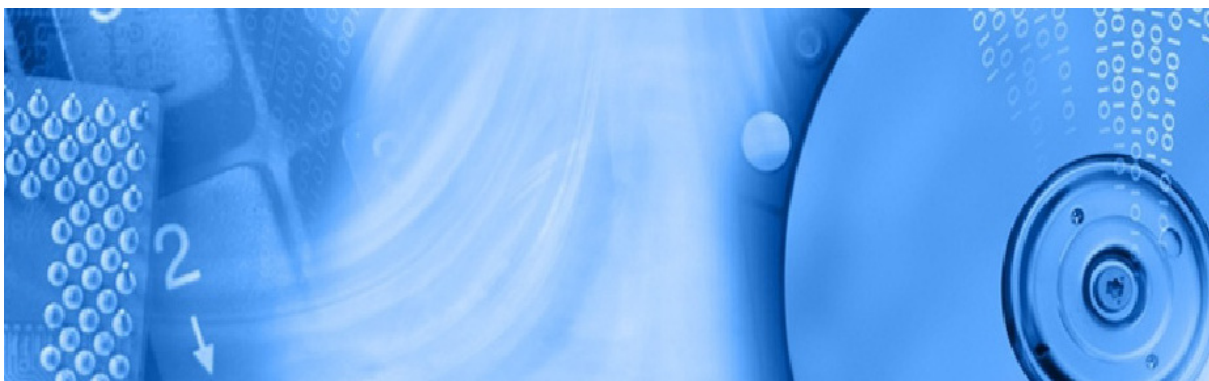
Extensive outreach has been done by EDiMA within the European Parliament in the development stages of the European Parliament report on the NIS Directive and since then with the European Council and more specifically Member State representatives working on the topic.

## SAFE

EDiMA was one of the key founders of the SAFE (Security Alliance For Europe) alliance alongside BSA, DIGITALEUROPE, EuroISPA and TAE. The SAFE has been very successful in pushing forward the joint messaging that we developed at both European Parliament and Council level. Furthermore the SAFE held a dinner event between Security experts from the company members of the Trade Associations involved in the alliance and the Council Working Group members to discuss the practical details and implications of the draft proposal being discussed and the thoughts the Member States have expressed.

## Payments

EDiMA took an active role in discussions leading up to the adoption of the proposed payment services Directive (PSD) within the European Parliament. The PSD aimed to promote more competition, efficiency and innovation in the field of e-payments by ensuring that there is legal clarity and a level playing field leading to downward payment services, facilitating the provision of innovative payment services, and to ensure secure and transparent payment services.



EDiMA met with members of the Cabinet of Commissioner De Gucht and Commissioner Tajani to discuss concerns around the draft PSD and reached out to other industry associations to discuss common issues and position on the draft proposal on the PSD.

As of June 2014 the Payments issues have found a new home within the newly created Payments Working Group which will focus on issues of pertinence from a payments-side.

## Consumer Rights Directive

In December 2013 DG JUST invited a number of stakeholders to a meeting to launch their ideas for their guidance document and model for compliance with the Consumer Rights Directive. EDiMA made sure to get back to the Commission with its input on the proposals made and had contact with DG JUST services and others e.g. DG MARKT to try to balance some of the views expressed in the guidance paper by the Commission.

# Public Affairs Programme: Intermediary Liability

*Marco Pancini, Google was the Chair of EDiMA Intermediary Liability Working Group for the past year 2013-2014*

## IPRED

Throughout discussions on the revision of Directive on the enforcement of intellectual property rights (IPRED) EDiMA met with the services of the European Commission and provided a response to the IPRED Consultation. EDiMA has followed up with the Commissioner regarding their expected publication of a Communication on an Action Plan addressing IPR infringements.

## OHIM

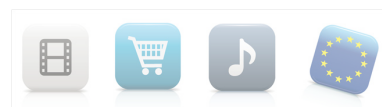
EDiMA has been monitoring the work carryout by the EU Observatory in the IP space. EDiMA also attended a number of its working groups and contributed to the working groups and different point of time. Furthermore, EDiMA managed to get a speaking slot at an OHIM meeting to present the results of the update to the study that we commissioned on the economic impact of online intermediaries. Last but not least EDiMA managed to stop OHIM from publishing a very subjective report on Copyright early in 2014 which presented a skewed view of the issues presented.

## Notice and Action

EDiMA was actively involved in discussions on the proposal for a Directive on Notice and Action procedures. We reached out extensively to Members of the European Parliament. EDiMA furthermore sent a letter to Commission President Barroso and relevant Commissioners to outline the arguments for an effective Directive on notice and action procedures. Through the efforts of EDiMA and the collaborative work with industry associations.

## Trademarks

EDiMA drafted an initial position paper on this issue. EDiMA and the Computer and Communications Industry Association (CCIA) collaborated to express the industry's perspective on the trademarks package discussions within the European institutions.





# Other Activities

*Within the last year EDiMA has also taken action on a number of issues that needed quick reaction but did not traditionally fit into the EDiMA policy programme. These issues were of importance to our sector and membership and required one-off interventions. These issues/initiatives were all raised to the Board and interventions carried out.*

## Italian Web Tax Proposal

In November 2013, the Budget Committee of the Italian Parliament planned to introduce an amendment to the national fiscal system which could set a negative precedent regarding taxation for online service providers as a whole. The text of the amendment included an obligation to purchase online services only from companies with an Italian VAT registration and would be applicable to all the websites that could be accessed from Italy. This amendment would entail that for the intermediary to offer its online services in Italy it would be forced to be a registered Italian company and as such would be responsible for reporting and remitting the VAT on their transactions, but this would be revenue-neutral for the government. EDiMA viewed this development as a clear contradiction to the EU Single Market principles and a hindrance to the progress of the European Digital Single Market.

EDiMA acted quickly to respond to the proposed amendment and sent letters to Italian Ministers and to European Commission President Barroso and all relevant Commissioners including Commissioners Barnier and Tajani informing them of the recent decisions taken in Italy.

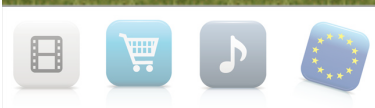
Through the efforts of EDiMA and following Vice President Tajani's investigation into the matter as a result thereof Matteo Renzi the Italian PM announced that the Italian web-tax law had been repealed and EDiMA received a letter from the office of President Barroso thanking EDiMA for bring the issue to their attention.

## European Digital Council Meeting

In anticipation of the European Council meeting in October 2013, which focused on the European digital economy. EDiMA reached out to the heads of states and ministers from all member states to express the importance of Europe's competitive global digital economy. EDiMA stressed that in order for Europe to ensure a competitive digital economy, steps must be taken to ensure that Europe can be viewed as a global leader, which include: open markets, forward thinking regulation and the right conditions for digital entrepreneurship, all of which will support an economy whose growth is increasingly digitally-enabled across all sectors.

## Delfi Case

In 2014, EDiMA took a lead in coordinating the submission of a joint amicus brief (by EDiMA, CCIA and EuroISPA) to the European Court of Human Rights (ECHR) regarding the DELFI AS v. Estonia (Application no. 64569/09) case, which was submitted within the Court's deadline. The case was of significant concern for EDiMA as it raised important issues concerning the liability of news sites and hosting platforms in general in relation to content posted by users, i.e user-generated content and its compatibility with Article 10 (Freedom of expression) of the European Convention of Human Rights, as an improper application of notice and takedown systems have an inclination to silence user speech and participation in public affairs.



EDiMA is currently awaiting the outcome of the judgements and is hopeful that the ECHR will consider the rights of both European citizens and businesses in their decisions

## Levies on VOD services

In early 2014 EDiMA sent a letter to various Commissioners to raise the issue of Levies on video-on-demand (VOD) services. The letter referred to disconcerting developments in both France and Germany. Both changes to national laws affecting VOD providers are a major change to the European audio visual market, raise conflicts with European law, and hinder the growth of cross-border media services and the distribution of audio visual works in the European Union. Furthermore, the planned law does not only contradict the aims, but also the concrete requirements of the AVMS Directive, namely the principle of country of origin.

The issue was passed-on within the College and EDiMA still awaits a formal response from the Commission on the matter.

## VAT on eBooks

EDiMA sent the relevant European Commissioners a letter to highlight the issue of VAT on eBooks, and more specifically, that with the impending changes from country of origin to country of destination and for VAT for electronically supplied services scheduled for 2015, will increase the visibility and impact of the current VAT differential between eBooks and printed books. As a result, many European citizens will bear considerably higher VAT when purchasing eBooks. EDiMA also reached out to see whether we could work with the FEP (Federation of European Publishers) and may try to do some collaborative initiatives with them at the start of the new Commission.

# Governance

## November Strategic Session

In November, the EDiMA Secretariat hosted a “Strategic Outlook Session” to re-evaluate the vision and outlook for the future of EDiMA and its activities. The session focused on gathering input from members on how they would define EDiMA and to use that vision to create an outlook for where EDiMA sees itself by 2018.

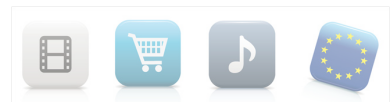
The strategic session outlined the steps needed for EDiMA to reach its goals for the future. Members worked on establishing an EDiMA vision statement to be used for both branding purposes and to better align and direct EDiMA's policy goals and resource priorities.

The strategic session also agreed to begin establishing positions on issues in anticipation for the upcoming new European Parliament and Commission. The positions will stem from each working group and will feed into an overall document.

One of the main results of the strategic session was the review of the EDiMA rules of procedure document. The review of the rules of procedure document will help to ensure that all members have a clear understanding on the process of raising issues within working groups and to the Board. These measures will ensure that all issues are treated equally and are subject to the same procedure. The document also aims to better handle the growing number of issues being taken on by the Secretariat, ensuring that resources are available to accurately tackle timely and priority issues areas.

# Conclusion

In compiling this snapshot of the main activities that EDiMA has been working on in the past year we got a pleasant surprise to see how much ground we have been able to cover from a policy-perspective. We look forward to the next year with a new European Parliament coming in and a new European Commission setting its agenda. EDiMA looks forward to the opportunities and challenges that lie ahead and to working with the membership to ensure that our sector's interests are heard and taken into account.





# EDiMA

*Shaping Internet Policy in the EU*

60 Rue du Trône, 1050 Brussels  
Tel: +32 (0)2 626 19 90 - Fax: +32 (0)2 626 95 01  
[info@europeandigitalmedia.org](mailto:info@europeandigitalmedia.org)  
[www.europeandigitalmedia.org](http://www.europeandigitalmedia.org)

