



Department for
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Lord Prior of Brampton
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Dear Chair,

Digital Single Market scrutiny response in relation to EU exit implications

I am writing to you in response to your 36th report requesting for additional information on the potential impacts of the UK's EU exit on Digital Single Market (DSM) initiatives. Specifically, you asked about the extent to which the policy objectives of individual DSM initiatives could be achieved solely through domestic legislation or whether some form of bilateral agreement would be required.

The Committee has already noted in its 36th report that the policy objectives of the large majority of DSM initiatives are cross-border in nature – we are in broad agreement. As a consequence of this cross-border dynamic, for most of these initiatives, achieving an equivalent policy outcome from outside the EU would require reciprocal commitments and arrangements between the parties involved. The nature of the UK's future relationship with the DSM is a matter for negotiations with the EU. These negotiations will help to inform whether any changes to domestic legislation are required.

As I have said in previous correspondence (“Digital Single Market quarterly update and scrutiny response to the e-commerce package”, dated 14 March 2017), until the UK exits the EU, all rights and obligations of EU membership remain in force. During this period we will continue to play an active role in DSM negotiations to ensure UK objectives are met. This includes building on the successes we have achieved to date, and continuing to develop our relationships with Members States on DSM issues. An open, competitive and flexible Digital Single Market will be good for the EU's economy, and in turn good for UK businesses and consumers.

Next steps

The European Commission has released a communication on the DSM (“Mid-term Review on the implementation of the Digital Single Market Strategy - A Connected Digital Single Market

for All”) on 10 May 2017. The document takes stock of progress made on the DSM Strategy, two years on from its first publication. The review also looked forward and suggested potential future areas of work beyond the current DSM Strategy, such as cyber-security or online platforms.

I will continue to update the Committee on the progress of the DSM Strategy on a quarterly basis, and will write to you again shortly with more information on the DSM Mid-term Review.

I am copying this letter to Lord Boswell, Chair of the House of Lords European Union Select Committee, Les Saunders (DExEU) and Briony Thompson (BEIS).

DAVID PRIOR

A handwritten signature in blue ink, appearing to read 'David Prior', is written over the printed name. The signature is fluid and cursive, with a large loop at the end.