CEPS Task Force: Next steps for EU law and regulation for the digital world

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1. Scope and Objectives

The aggregate complexity of EU law for the digital world has become enormous, and the pace with which new laws are enacted shows no signs of slowing down; at the same time, the growing need for various forms of regulation is unquestionably growing.

EU laws and regulations dealing with the digital world have exploded in many dimensions in recent years. In just the past dozen years, the number of laws related to digitalisation has more than quadrupled, from roughly to 20 to 88. Moreover, the average length of EU laws has doubled over the past 20 years. Relatedly, the interactions among the various digital laws appear not only to be growing, but to have reached the point where even the best experts struggle to identify them all.

In the most recent legislative term, the *Digital Markets Act (DMA)*, *Digital Services Act (DSA)*, *Data Act*, *Artificial Intelligence Act*, *Data Governance Act* and the *Cyber Resilience Act* were enacted, in addition to broad sectoral measures such as the *European Health Data Space (EHDS)*. These were on top of complex laws already in place including the *General Data Protection Regulation (GDPR)* and the *European Electronic Communications Code (EECC)*. Some of these laws do provide opportunities for EU firms – but all of them impose regulatory burden.

At a time when many experts have called for a pause in enacting new EU law to enable businesses and the Member States to catch up, and with the Draghi and Letta Reports both calling for regulatory simplification, the number of new laws proposed by the European Commission seems to still be moving forward at a breakneck pace.

EU businesses, especially SMEs, pay a substantial price for this complexity. How are they to manage this growing complexity? For EU citizens, the current state of play is barely comprehensible.

At the same time, the need for the EU rules is clear enough and is growing for many reasons. The centrality of digital goods and services in the everyday lives of Europeans has steadily increased. The concentration of *de facto* power in the hands of a small number of firms headquartered outside the EU raises multiple challenges. The risk of malicious disinformation and election manipulation has grown markedly and the increasingly fractious transatlantic relationship does not help. America's reliability as a technology supplier could be subject to sudden, arbitrary shocks, and there is also risk of supply chain disruption involving China. The threat of cyberattacks from commercially motivated hackers and from government-sponsored actors has grown markedly.

Both businesses and citizens/consumers need protection from these multiple threats.

The need to improve the effectiveness, efficiency and quality of EU law and regulation, and to make them less burdensome for businesses large and small, is consequently manifest. This necessarily relates not only to the **substance** of existing laws but also to the **process** over how they are created, evaluated and improved over time.

None of this is easy – **simplification is not simple. Striking the right balance between, on the one hand, protecting EU firms and citizens, and avoiding needless regulatory burden on the other, has proven to be challenging.**

Simplification can be achieved in many ways, such as engaging in codification, exempting SMEs from specific obligations (coupled with due attention to their role in the supply chains of larger firms), and removing or reforming specific rules or their enforcement. The use of information and communication technology to enhance regulatory and compliance processes (referred to as *regulatory technology* – or RegTech – can also lead to a reduction in burden.

Simplification can lead to the reduction of actual obligations or to their reconciliation where inconsistencies and undue overlaps create instances of regulatory creep, or so-called irritation burdens. Different cases may warrant different strategies over the coming months and years. What seems advisable, in line with the EU's *one in one out* principle, is that the future EU digital *acquis* takes the perspective of the individual firm or individual who must comply, rather than focusing on each piece of legislation in isolation. There is growing academic and international interest in applying this *customer experience (CX)* approach as a form of agile regulatory governance.

It is with this in mind that CEPS is convening a Task Force of knowledgeable industry stakeholders, supported by academic experts, current and former public officials, and NGO representatives, to think through what is needed to reform and reinvigorate not only the current and forthcoming EU digital *acquis*, but also the process over how EU laws and regulations are designed, implemented, enforced, reviewed and enhanced over time, with a specific focus on the digital world. As we are still early in the 2024-29 mandate, this is a suitable time to provide concrete reflections and advice to policymakers at EU and Member State level.

2. Methodology and Timeline

The Task Force's core activities will consist of four closed door full day hybrid workshops (physical attendance encouraged but not required) with a wide mix of stakeholders, leading to a Final Report that will summarise what has been discussed and will provide recommendations for further action. The syllabus of the four workshops will be structured to cover, as much as possible, the full range of relevant issues.

Each of the four workshops will be comprised of three sessions covering three sub-topics, with two of them dealing with specific thematic areas currently or prospectively addressed by EU laws. Each workshop will begin with 20 to 30 minutes to conduct housekeeping, to set the stage for the sessions to follow and to summarise the Task Force results to date. Each of the three subsequent sessions would begin with a keynote overview by a knowledgeable expert, followed by open discussion among the stakeholder participants.

We envision the following sequence of workshops. The nominal dates assume that a critical mass of participants have accepted the invitation to join in time.

- **First meeting (early November 2025):**
    - Setting the stage: The EU's place in the (digital) world, implications for digital legislation (industrial policy and *open strategic autonomy*)
    - Process issues: Formulating better laws
    - Levelling the playing field (DMA, competition law, Digital Networks Act (DNA))
    - Planning of future meetings

- **Second workshop (late November 2025)**
    - Platform regulation to protect fundamental freedoms (DSA, Digital Fairness Act)
    - Process issues: Evaluating the laws that are in place
    - Data governance (DGA, Data Act, data spaces including EHDS, open data directive)

- **Third workshop (early December 2025)**
    - Privacy laws (GDPR)
    - Simplification approaches, regulatory technology (RegTech), agile regulatory governance
    - Digital security (NIS 2, CRA, DORA, eIDAS 2.0 and the digital wallet)

- **Fourth workshop** (**January 2026**):
    - The AI Act and its relationship with sectoral legislation
    - Pulling it all together: Formulating conclusions and recommendations
        - Current and planned EU laws, with a special focus on the Digital Omnibus
        - The process used to create, evaluate, improve and simplify EU laws

The main output at the end of the process will be a Task Force Final Report prepared by CEPS staff, to be shared with stakeholders before publication. The report will seek to present a common view but where necessary will also highlight aspects where the stakeholders agreed to disagree. Chatham House rules will govern all that is said in the workshops and the Final Report will also respect Chatham House Rules.

J. Scott Marcus and Andrea Renda, both of whom are Senior CEPS Research Fellows whose expertise on these topics is widely recognised, will organise the Task Force and will moderate the workshops with assistance from other CEPS staff.

CEPS is well equipped to organise and lead this Task Force. We regularly organise research and policy exchanges among policymakers and stakeholders from across the EU and beyond. Our independence and objectivity are well established. As project coordinator, CEPS will manage the organisation of the meetings and will prepare and circulate the agendas together with key background materials in advance of each meeting. CEPS will also oversee the drafting and review of the Task Force Final Report (see the section 'Task Force Principles and Rules').

This Task Force generally follows CEPS's standard Task Force methodology, adapted as appropriate to meet the needs of this topic (see Section 7, 'Task Force Principles and Rules').

3. Nominal Timeline/ Meetings / Agenda

MONTH	ACTIVITIES AND OUTPUTS
September and October	Organising the Task Force Invitation to Task Force members and sponsors to participate, informing them of the Task Force objectives, tentative meeting dates and what to address in their expert contributions during each meeting.
October	Optional exploratory meeting between CEPS and the participants to (i) discuss and finalise the Task Force-research objectives; (ii) fix the exact agenda and dates for the meetings; and (iii) discuss the Task Force membership, reflect on any gaps in coverage.
Early November	**Workshop 1: Setting the stage – the EU's place in the world** The first session will deal with issues of **digital sovereignty** as a manifestation of **open strategic autonomy**. As a producer of digital goods and services, the EU has many areas of relative strength but obvious weakness when it comes to (1) production of semiconductors, (2) online digital platforms and (3) cloud computing. What measures are already in place to address shortfalls? Are they working, are they adequate? How much must be addressed by improving the self-supply of digital goods and services, how much by ensuring diverse and robust supply chains? How can the EU deal with increasingly strained relations with both China and the US? The second *process-oriented* session will deal with the ***ex-ante*** **Impact Assessment (IA)**. Many legislative proposals are not accompanied by the required IA at all, often for reasons of alleged urgency. Are unjustified claims of urgency common? Are omitted IAs more likely for politically sensitive measures? Are IAs sufficiently neutral and objective? Is there enough supporting evidence for the conclusions reached? Are public consultations conducted whenever they should be and are they inclusive, neutral and objective? Is the Regulatory Scrutiny Board (RSB) serving as an adequate quality control mechanism? Is enough attention being paid to collecting data to support subsequent *ex-post* evaluation? Is enough attention being paid to avoiding needless regulatory burden on firms, especially SMEs? Are the *one in and one out* and the *think small first* strategies having the desired effect? The third session will reflect on measures that seek to **ensure a level playing field for EU businesses**. The primary focus will be on the Digital Markets Act; secondarily, competition law will be considered; and thirdly, the possible revival in a future *Digital Networks Act (DNA)* of the debate over payments from content and application providers to network operators that serve the EU public. Are current measures too burdensome on firms or are they not burdensome enough? To the extent that penalties are imposed, are they encouraging behavioural changes on the part of the firms? Will the EU be

	successful in imposing its rules on US firms in the face of a combative US administration?
Late November	**<u>Workshop 2: Platform regulation</u>** The first session will focus on measures to **protect fundamental freedoms**, with a focus primarily on the Digital Services Act (DSA). Is the DSA too burdensome for firms or too permissive? Is the DSA's attempt to place primary burdens only on the very largest firms proving to be effective or are SMEs also being swept up? Are penalties imposed under the DSA effective in changing the behaviour of (non-EU) firms? How have the risks addressed by the DSA changed under the Trump administration? Will the EU be successful in implementing the DSA in the face of an increasingly aggressive US administration? The second session will deal with **the *ex-post* evaluation** process. Are evaluations even being carried out for everything that ought to be evaluated? A missing IA may make it difficult to get a law enacted but there are few consequences if an evaluation is missing or of poor quality. Is it a problem that the Commission gets to 'grade its own homework'? Are evaluations sufficiently neutral and objective, or is the Commission pre-judging the outcome? Are enough *REFIT* evaluations being conducted? Are they sufficiently objective? Are they effective in improving the stock of EU laws? The third session will reflect on the many measures that have sought to improve **the sharing of (non-personal) data** within the EU. This includes not only broad horizontal measures such as the *Data Governance Act (DGA)*, the *Open Data Directive* (formerly the PSI Directive) and portions of the *Data Act* and *GDPR*, but also sector-specific laws such as the *Electronic Health Data Space (EHDS)* and the proposed *Financial Information Data Act (FiDA)*. How effective are these rules in practice? Are data sharing obligations reducing the incentive to capture the necessary data? Is it a problem that each of these has its own approach to standardising (or neglecting to standardise) the format and semantics of data to be exchanged, and the compensation (if any) to be paid to the data holder? Is the distinction between personal and non-personal data sufficiently clear? Are current technical measures to anonymise or pseudonymise data sufficiently robust or is it always easy to de-anonymise?
Early December	**<u>Workshop 3: Privacy and trust</u>** The first session will deal primarily with **privacy and data protection** with a primary focus on the *GDPR*. Whatever its merits, many quantitative and qualitative studies indicate that the GDPR is burdensome. Might there be less intrusive ways to protect the privacy of EU persons? Has the GDPR's *one stop shop* proved to be effective, or has it led to inefficient allocation of resources, or to conflicted incentives for Member States where large online firms have their EU headquarters? As privacy increasingly overlaps with other thematic

	areas, including competition law and consumer protection, are new coordination mechanisms needed? The second *process-oriented* session will consider mechanisms to **facilitate regulatory simplification and ease the burden.** This will include a discussion on the **selective exemption** of selected merchants (especially SMEs) from certain burdens and active discussion of the degree to which these exemptions are challenged in practice by the role that SMEs play in the supply chains of larger firms; the **provision of authoritative and timely information** about Member States' rules to firms and individuals, as in the *Single Digital Gateway (SDG);* the use of **regulatory technology (RegTech)**, including AI, to automate processes and thus reduce the burden on firms and individuals; the EU's growing reliance on various forms of **agile regulation** such as regulatory sandboxes; and the effectiveness (or lack of effectiveness) of methodologies focused on the **customer experience (CX)** of firms and individuals, including the *one in one out* and *think small first* principles. The third session will deal with **cybersecurity**. Cybersecurity has always dealt both with private actors, often interested in financial gain, and in state-sponsored actors seeking to further policy or military goals. How has the increasingly polarised geopolitical situation changed this? Both hackers and defenders are clearly getting better over time – but how is the balance between the two evolving? Is the EU cybersecurity *acquis* fit for purpose? Is the balance of competencies between the EU and the Member States still appropriate, and the allocation of roles and responsibilities within the EU?
January 2026	**<u>Workshop 4: Pulling it all together – formulating conclusions and recommendations</u>** The first session will deal with **AI**, with a primary focus on the *AI Act*. Many aspects of the Act will be specified later, when there is more experience with AI in general and the AI Act in particular. Has too much been deferred in this way – or too little? Is the AI Act too restrictive, thus limiting EU innovation? Or is too permissive, thus failing to establish strong enough guardrails to protect the EU public? What are the AI Act's strengths and weaknesses? Is access to training data properly reflected in EU law, including in the *Copyright Directive*? Does the current EU *Product Liability Directive* adequately deal with liability for products that incorporate AI? What about AI services? The second and third sessions will try to make sense of all that the Task Force has learned. The second will focus on **the substance of current and planned EU laws**, with a special focus on the **Digital Omnibus** that the Commission is expected to submit to the European Parliament and Council in December 2025. The third will focus on **the process used to create, evaluate, improve and simplify EU laws**. The rapporteurs will endeavour to lead the participants through the range of issues in a structured and orderly way. The goal will be

	not only to identify rough consensus where it exists but also to identify areas where opinions diverge. As preparation for Workshop 4, the CEPS rapporteurs will prepare initial suggestions for findings and for recommendations based on Workshops 1, 2 and 3, synthesising what they have heard and adding their own reflections. They will provide them to participants prior to the meeting as food for thought. Since the Task Force's goal is to produce a report summarising the results of all four meetings, this wrap-up meeting is particularly important.
February	CEPS staff prepares the **draft Final Report**. Depending on the results of Workshop 4, CEPS might also prepare a short response to the Commission's **Digital Omnibus** legislative proposal.
March	Circulation of the draft report to Task Force members for comments. **The CEPS *Ideas Lab* conference**, our annual flagship event, is scheduled to take place in Brussels on 2 and 3 March 2026. We hope to present one or more interesting ideas generated by this Task Force in a panel at Ideas Lab.
April	Resolution of any comments, followed by editing and publication by CEPS. We plan to hold a **public event** either to launch the study, or else shortly after the report is made publicly available.

4. CEPS Participants

The Rapporteurs (CEPS staff) will organise the meetings, conduct research independently and draft the Final Report.

- J. Scott Marcus, Associate Senior Research Fellow, CEPS
- Andrea Renda, Director of Research, CEPS
- Artur Bogucki, Associate Researcher, CEPS

5. Participation conditions

Participation in the Task Force is subject to a fee to cover organisational expenses. CEPS members are entitled to a discounted fee and non-members pay the full fee.

The fee covers:

- The research carried out by CEPS staff
- Organisational, logistical and other costs of all meetings
- Web access and documentation
- Launch of the final report in Brussels at a public event to maximise exposure

- Press release, accompanying CEPS Expert Commentary and communications management
- Printing and editing costs of the final report
- Distribution of the final report to key stakeholders in the industry and among policy circles

The fee does not cover travel and accommodation costs for Task Force members to attend the meetings.

CEPS Members:

Fee Structure (+21% VAT)	
Premium Corporate Members	Free
Corporate Members	EUR 2,500
Association Members	EUR 2,500
Premium Institutional Members	EUR 1,000
Institutional Members	EUR 1,500
Civil Society and Academia	Free

Non-Members:

Fee Structure (+21% VAT)	
Corporations and Associations	EUR 5,000
Institutions	EUR 2,000
Civil Society Organizations	EUR 500
Academic/Policy Observers (academics, policymakers, regulators, supervisors, independent experts)	EUR 500

To express your interest, kindly complete the registration form and email it to j.scott.marcus@ceps.eu or artur.bogucki@ceps.eu by 30 October 2025.

For sponsorship inquiries, please contact j.scott.marcus@ceps.eu directly.

6. Registration form

CEPS members – check the applicable box (+21% VAT)

- ☐ CEPS Premium Corporate member | FREE
- ☐ CEPS Corporate or association member | EUR 2500
- ☐ CEPS Premium Institutional member | EUR 1000
- ☐ CEPS Institutional member | EUR 1500
- ☐ CEPS Civil Society and Academia member | FREE

PLEASE INDICATE THE NAME AND POSITION OF THE MAIN CONTACT PERSON

First name:	Last name:
Job title:	
E-mail:	Telephone:

Non-members- check the applicable box (+21% VAT)

- ☐ Corporations and Industrial Associations | EUR 5,000
- ☐ Institutions| EUR 2,000
- ☐ Civil Society and Academia| EUR 500

PLEASE INDICATE THE NAME AND POSITION OF THE MAIN CONTACT PERSON

First name:	Last name:
Job title:	
E-mail:	Telephone:

Billing information

Company/Association:			
Department:			
Tax register number (VAT for Europe):			
Postal address:			
	Postcode:	City:	Country:
Contact person:			

Date:	**Signature:**

7. Task Force Principles and Rules

CEPS Task Forces are processes of structured dialogue among participants who are brought together over several meetings. Participants will typically be industry representatives, practitioners or civil society actors/NGOs. We seek balanced participation among interested parties to facilitate an evidence-based exchange and ensure that the final output is truly multi-stakeholder.

A participating organisation is urged to take part in every Task Force session, with up to two representatives per session. As much as possible, we encourage the same individuals to participate in every meeting in the interest of continuity.

Member contributions

- Members are encouraged to contribute to the informal debate at each of the planned meetings and are welcome to exchange by e-mail between meetings.
- Members are also welcome to provide written contributions.
- We ask that member contributions be objective and fact-based but not necessarily neutral. We recognise that participants may represent their respective institutions.
- In the interest of a candid exchange, and unless otherwise agreed, the Chatham House rule governs the Task Force discussions, any written contributions and the Final Report that will be produced.

The Task Force Final Report

In line with normal CEPS practice, this Task Force's Final Report will reflect the discussions that have taken place, together with research carried out independently by CEPS to support the Task Force. It will be produced in accordance with the highest integrity and scientific standards.

The report, and all Task Force activities, will be organised and implemented in full compliance with the CEPS Integrity Statement. As always, we work to ensure the independence and integrity of CEPS research.

With the Task Force Final Report, we seek to provide readers with a balanced set of arguments that can serve as a constructive and critical basis for discussion. We do not seek to advance a single position and will avoid misrepresenting the complexity of any issue.

Task Force reports also fulfil an educational purpose and are therefore drafted in a manner that is easy to understand, as free of jargon as possible and with any detailed terminology fully defined.

Task Force members will be invited to comment on the draft report, as highlighted in the section 'Nominal Timeline/ Meetings / Agenda'. Nevertheless, in line with the CEPS Integrity Statement, the Final Report's overall content remains the sole responsibility of the CEPS research team. The report's contents may only be attributed to the CEPS research team and not to the members. This is reflected in the standard disclaimer for a CEPS Task Force Final Report:

> *'The findings presented in this Final Report do not necessarily reflect the views of all the members of this Task Force. However, the members were involved during the drafting of the Final Report and provided input to the discussions through presentations and the*

provision of data and other materials, which have been used in this Final Report. A set of principles has guided the entire drafting process to allow all the interests represented in the Task Force to be heard. CEPS staff are solely responsible for its content and any errors contained therein. The Task Force Members, or their respective companies, do not necessarily endorse the conclusions of the Final Report.'