



Study shows Internet platforms contribute more than €310bn per year to European GDP

Coinciding with the release of the European Commission's Communication on E-Commerce, Copenhagen Economics have released a new study: "Online Intermediaries: Assessing the Economic Impact of the EU's Online Liability Regime" which estimates that Internet platforms – such as e-commerce and video sharing sites, search engines, social networks and cloud computing providers - contribute more than €310bn to European GDP each year.

The new report shows that online intermediaries in Europe directly contribute €160bn to European GDP per year as well as productivity gains worth €150bn per year, creating a total annual contribution of €310bn. According to Copenhagen Economics, Internet platforms are able to contribute to the European economy at this scale because of the liability limitation provisions of the EU's E-Commerce Directive. These provisions give the legal certainty necessary to offer online and e-commerce services across Europe's Digital Single Market – services that are used daily by hundreds of thousands of small businesses and millions of European consumers.

In its Communication on E-commerce and the Digital Single Market, the European Commission set out its plans to double the contribution of e-commerce to European GDP by 2015, a laudable objective which EDiMA and its members welcome enthusiastically. As the Commission highlights, addressing obstacles to the growth of e-commerce will yield significant benefits for European consumers and businesses and the European economy as a whole.

Martin H. Thelle, Partner at Copenhagen Economics said: "A large part of Europe's digital economy is made up of online intermediaries. They bring employment and value to the economy and form one of the fastest growing sectors in Europe." He added: "in our view, European policymakers made a wise choice when they enshrined liability limitations for online platforms in the E-Commerce Directive and it seems they are making another smart move by further strengthening the current regime."

James Waterworth, EDiMA President, said: "Online platforms contribute €310bn per year to the European economy; a figure that is growing fast. Given the current economic situation, and the fact that online platforms are such strong drivers of growth, we welcome the European Commission's focus on the sector in its Communication. European Institutions should act urgently to unlock the growth potential of the Digital Single Market, while ensuring that the cornerstones of the current environment, for example the liability regime for online intermediaries, remain in place."

The full text of the Copenhagen Economics study is available at:

<http://www.europeandigitalmedia.org/uploads/Press/documents/Copenhagen%20Economics-Online%20Intermediaries-201201.pdf>

About EDiMA

EDiMA, the European Digital Media Association (www.europeandigitalmedia.org), is an alliance of Internet and new media companies whose members include Amazon EU, Apple, eBay, Expedia, Google, Microsoft, MIH Group, Nokia, Yahoo! Europe, Orange and others. EDiMA's members provide Internet and new media





platforms offering users a wide range of online services, including the provision of audiovisual content, media, E-commerce, communications and information/search services. EDiMA represents the interests of the Internet and new media sector in Europe in policymaking, standards development and industry cooperative activities.

About Copenhagen Economics

Copenhagen Economics is a specialised economics consultancy. The firms' economists provide advice and analyses in the fields of competition, regulation, international trade and impact assessments. Copenhagen Economics advises companies, authorities and policymakers where market meets regulation and conflicts arise. They advise public clients on how to design new regulation and our private clients in competition cases and on regulatory matters. Copenhagen Economics A/S (www.copenhageneconomics.com) was founded in 2000. Today the firm employs more than 30 expert economists – making it one of the largest groups of professional economists on continental Europe. The firm recently prepared a study on the economic benefits of a digital single market in Europe for the European Policy Center, and has worked on several assignments related to the regulation of the Internet.

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