

LEGAL REGULATION OF DIGITAL ECONOMY IN EU AND IMPLEMENTATION OF EU EXPERIENCE IN UZBEKISTAN

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ANNOTATION

A digital economy is a transformed form of an economy where all the activities are done by using modern technology to enhance the outcomes. The regulations for maintaining the rule of law in this prospective domain have gotten more significant with the passage of time and with the rise of new technology. This paper analyses the digital law and regulation of the digital economy in the European Union. The outcome of the research provides a way for developing countries to align their legislation with the modern world.

Keywords: Digital Economy, European Union, Legislation, Treaties, Regulations, Directives, The European Parliament, The Council of the European Union, The European Commission, The Court of Justice of the European Union.

Introduction

Modern technology is updating rapidly in new ways, and they need more new laws and regulations to enhance the jurisdiction to maintain the rule of law. The legal framework was prepared as the innovation of technological changes took place. To take advantage of new technologies for society, developed countries implement new plans and programs. This study focuses on the legislative process and the legislative institutions that are involved in the legislative process and digital regulation in the European Union [1].

The main purpose of the study is to analyze the digital legislation of the European Union and find a positive outcome for Uzbekistan in legislating their enactments in a modern way. Modern technologies develop, modify, and introduce new features very rapidly, and major stakeholders are in a rush to adopt them first. Artificial Intelligence, Machine Learning, Robotic Process Automation, Edge Computing, Quantum Computing, and Virtual Reality and Augmented Reality, etc., are the new fields where states need to pass new legislation [2].

The Republic of Uzbekistan has introduced measures to boost digital activities in the country. The study is based on the positivism approach to find the outcome of what Europe has been doing. The doctrinal research methodology adopted to conduct this research for review the treaties, regulations, directives, decisions, opinions, and recommendation. These tools assist the researcher to layout the concept and formulate the results [3].

Research Results and Discussion

The digital economy emerged in the late 21st century and was first introduced by the west in the early 1990s. This economy was referred to by various terms by scientists and scholars. The digital economy has grown enormously, with billions of people transacting daily, accelerating their impact on our lives through online payment methods, e-commerce, e-Healthcare, data centers, internet websites, social media reviews, e-banking, e-learning, working from home, brand image, domain ownership, cashless society, automotives, and more, are the activities that are creating the new types of businesses and developing a new path for governance [4]. There are some important components of the digital economy, such as the government, which is responsible for providing ground infrastructure and setting the goal for the national vision. Policy and regulations provide a business-friendly environment. The Internet, the World Wide Web (WWW), and electricity infrastructure are the backbone for digital activities. The telecommunication industry connects individuals from other countries with the networks. Digital service providers, the E-business and E-commerce industry, information

and knowledge management systems, intellectual property rights, human capital and knowledge workers, R&D, and emerging technologies all play an important role [5].

The Digital Transformation of Business is the endorsement and integration of digital technologies into the business to increase efficiency and decrease costs, which leads to making a profit and providing ease to customers. Economic growth and digital technologies are intertwined. Because of the adoption of these technologies, businesses have transferred into hyperdrive, where the global marketplace brings new changes every day and boosts business activities like Zara, the Spain-based clothing outlet, has over 5000 locations in 77 countries that use digital technology to manage inventory for the purpose of distribution according to customer preference. As a result, they found an 18% increase in net sales [6].

The foundation of the European Union is based on a business treaty called "The European Coal and Steel Community," which regulated the coal and steel industries. This treaty was signed by the six European countries and is a milestone to the present model of the European Union, which has 27 member states with a total population of 447 million, according to January 1, 2021. That is 9.78% of the population of the world. Brussels, the capital of Belgium, is the headquarters of the European Union. The EU is a members of the world trade organization with the title of political entity [7].

The European Union is governed by the treaties which create the legislative institutions such as the Council of the European Union, the Parliament of the European Union, the European Commission, the European Court of Justice of the European Union and others to govern the rule of law in the member states. The EU laws are binding upon all the member states, and if there is any contradiction between the union law and the national law, the union law will prevail. The legislative institutions allow all national laws to be aligned with European Union law. [8].

The union laws have different parameters in their nature. The regulations are the binding legislation that applies to all member countries. This legal act has a direct effect and is enforced immediately on the whole union. The directives are the directions for the member states to adopt and achieve specific objectives. The decision has a binding effect on those to whom it is issued. The recommendations are opinions with no legal ramifications; member states may act accordingly. The opinions represent the point of view of the relevant institution on any issue or policy [9].

The European Parliament is a legislative institution of the European Union which consists of the 705 members directly elected by voters for 5 years. The member's states have their own fixed seats in the parliament based on the state population. The Council of the European Union is comprised of the ministers of each member state and has the duty to play an active part in the law making process along with the European parliament. The European Commission, the most important legislative institution, proposes the new law for enactment. The union has 27 commissioners [10].

The European Commission has the authority to initiate legislation either on its own initiative or on the recommendation of the other legislative institutions. The proposed legislation is being reviewed by parliament and council committees. The proposed law may be approved, rejected, or approved with certain amendments. The Parliament, the Council, and the Commission meet to determine whether they can agree on recommended amendments. If the Commission doesn't agree with amendments, the Council can overrule the objection by unanimous decision. If the Commission considers that the recommended amendments excessively change the proposal, it has the right to withdraw. And if all three institutions don't agree on a final text, a second reading takes place [11].

In the second reading, the Parliament and the Council propose further amendments. Parliament can also block the proposal if it can't agree with the Council. On the other hand, if both agree on the amendments, a proposal would be adopted. On the other hand, if they can't agree, a conciliation committee will be set up to make a solution. Both institutions can block the proposal in the final second reading, and if the proposal is adopted, it is published in the EU official journal. There are some special legislative procedures that apply to internal market exemption and competition laws where parliament may accept, reject, or amend the proposal [12].

All of the European Union's important legislation, such as regulations, directives, decisions, opinions, and recommendations related to the digital economy, is gathered here [13].

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Regulation (EU) 2021/690;
Regulation (EU) 2021/690;
Regulation (EU) 2021/1230;
Regulation (EU) 2020/1503;
Regulation (EU) 2020/1070;
Regulation (EU) 2019/1150;
Regulation (EU) 2019/881;
Regulation (EU) 2019/517;
Regulation (EU) 2018/302
Regulation (EU) 2018/644;
Regulation (EU) 2018/1807;
Regulation (EU) 2017/2394;
Regulation (EU) 2017/1128;
Regulation (EU) 2016/679;
Regulation (EU) 2015/751;
Regulation (EU) No. 910/2014;
Regulation (EU) No. 524/2013;
Regulation (EU) No. 260/2012;
Regulation (EU) No. 531/2012;
Directive (EU) 2019/2161;
Directive 2019/790;
Directive (EU) 2019/771;
Directive (EU) 2019/770;
Directive (EU) 2018/1972;
Directive (EU) 2016/2102;
Directive (EU) 2015/2366;
Directive 2002/58/EC;
Directive 2002/22/EC;
Directive 2000/31/EC;
Directive 96/9/EC;
Directive 93/83/EEC;
Decision (EU) 2021/820;
Decision (EU) 2017/899;
Decision No. 456/2005/EC;
Opinion on Digital Service Act;
Opinion on Digital Market Act;
Opinion on Digital Europe;
Commission Recommendation (EU) 2020/1307;
Commission Recommendation (EU) 2018/334.

The present legislation of the European Union covers all aspects of the digital economy in the right way, but Europe wants to lead the world in the digital world and has gone with the strategy "Shaping Europe's Digital Future." The main purpose of this strategy is to maintain the global standard, be a role model for the world, create a free and fair digital economy with an open, democratic, and sustainable community, to improve the digital skills, protection of fundamental rights, to prevent cyber security threats, to increase the infrastructure, and expand the manufacturing industry of the supercomputer [14].

The crux of digital economy regulation in the European Union is that state laws should be business friendly. Research organizations and industry should have strong communication. To increase e-commerce, there should be a magnificent and reliable cross-border payment system. state-of-the-art facilitation for start-ups and EMEs. Protection of the public's health and safety is a top priority. Every online service provider must

publish their terms and conditions in plain and easy language about their goods and services. The state can increase e-commerce to make the single-piece parcel tariffs affordable.

The state bodies and authorities shifted their services online and made their websites and applications about the services. A user-friendly online dispute resolution platform will help to ensure consumer privacy, fundamental rights, and the online standard of goods and services. The acceptance of online and card-based payments should be increased by reducing the interchange fee. The protection of copyright and illegal content. The Knowledge and Innovative Communities can play a special role in encouraging the public to adopt innovative technologies in conventional processes.

Considering all the factors, the topic of the digital economy has gained importance for the future development of society. Scientific research always gives new ideas to develop policies in the country that are aligned with the modern era. Digital transformation is the adoption and integration of digital technologies into the business to increase efficiency and decrease costs, which leads to making a profit and providing ease to customers. Economic growth and digital technologies are intertwined. As a result of the adoption of these technologies, businesses have transferred into hyperdrive, where the global marketplace brings new changes every day and boosts business activities.

Conclusion

The legal process of the digital economy in the European Union is showing their results in the way to the Digital Europe Decade, which is an action plan for the upcoming years outlining what they want to do in the digital industry to strengthen their economy, uplift the living standards of the community, and protect the basic fundamental rights. The president of the Republic of Uzbekistan adopted the Digital Uzbekistan 2030 by decree on October 5, 2020 to accelerate the development; the National Agency for Project Management is going to launch 280 projects under the national strategy.

The states unanimously agree that using the digital economy is the key to boosting and growing their slow economy, but there are a number of hurdles for achieving the desired results. These challenges include, but are not limited to, limited access to the latest technologies, a lack of infrastructure in the countries, a shortage of technology experts, social and cultural taboos, security concerns, and developing countries lacking sufficient funds to invest in governance, particularly gaps between organizational capabilities and innovative activities.

This article finds some areas where states can enact some changes to adhere to the benefits of the latest activities. The states must regulate online activities to protect the rights of users and increase the confidence of online transactions. The entire research outcome must be implemented in the industry. The states should encourage people to participate in digital education. Business organizations must adopt modern technologies in their operational tasks.

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