

DIGITALEUROPE supports the Council's position for a balanced outcome ahead of the final negotiations on the EU Platforms Regulation

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DIGITALEUROPE remains optimistic during the trilogue negotiations that Member States will continue to stand firm in pursuit of a balanced and workable Regulation on promoting fairness and transparency for business users of online intermediation services (P2B Regulation).

The Council of the EU's position manages to successfully balance the interests of business users with those of intermediaries and consumers. DIGITALEUROPE represents over 35000 businesses, many of which are small but fast-growing companies who are developing platforms for various EU markets. Several amendments proposed by the European Parliament will create disproportionate barriers to growth alongside discouraging investment in European platform intermediaries. In addition, the European Parliament amendments also risk hampering platforms' ability to provide a trusted environment for both European consumers and business users looking to compete honestly.

Most notably, in their final negotiations, EU legislators should avoid:

- The use of undefined legal terms such as 'fair and proportionate'. These terms lack the necessary legal clarity for compliance and due to the varying interpretation by national authorities this will lead to market fragmentation in the online economy;
- Excessive transparency requirements for rankings that will undermine innovation in the sector alongside tipping the balance unfairly towards those who have the resources to optimise their ranking which in turn will expose consumers to the risk of any manipulation ranking outcomes;
- Unworkable procedural requirements for suspensions and terminations, which would hamper intermediaries' efforts to protect brands, consumers and business users competing honestly;
- An extension of the scope to operating systems without a prior impact assessment, will create significant legal uncertainty and risks impacting emerging technologies and business models, (connected cars, Smart TVs etc.) which will undermine future innovation.

You can read DIGITALEUROPE's position paper on the proposed Regulation on promoting fairness and transparency for business users of online intermediation - <u>here</u>.

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ABOUT DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies. DIGITALEUROPE ensures industry participation in the development and implementation of EU policies.

DIGITALEUROPE's members include in total over 35,000 ICT Companies in Europe represented by 66 Corporate Members and 40 National Trade Associations from across Europe. Our website provides further information on our recent news and activities: <u>http://www.digitaleurope.org</u>

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