



# New EU rules and guidance for a fairer online economy

Brussels, 10 July 2020

The Commission publishes today a set of resources to help traders, online platforms and search engines get the most out of the new <u>Platform to Business</u> rules, which apply from this Sunday, 12 July. In addition, <u>three progress reports</u> prepared by the <u>expert group for the Observatory on the</u> <u>Online Platform Economy</u> are published for <u>feedback</u>. The reports will inform the broader work of the Commission on online platforms and in particular on the upcoming Digital Services Act package.

Executive Vice-President Margrethe **Vestager** said: "The more than 10,000 online platforms in the EU are only one part of a broader digital services ecosystem that drives innovation. Despite their role as an essential resource during the on-going health crisis, major issues of fairness and safety have to be addressed. The new rules will ban certain unfair practices such as unexplained account suspension, unclear terms and conditions; ensure greater transparency about ranking, level the playing field among online platforms and search engine and provide new possibilities for resolving disputes and complaints."

Commissioner for the Internal Market Thierry **Breton** said: "*Trust is key when it comes to the online* economy. Businesses are increasingly moving online – a trend that the coronavirus pandemic has reinforced. To ensure that we have a fair, transparent and predictable online environment, all operators need to adapt to the new rules we are implementing. They will strengthen trust in the online platform economy and make it strive for the benefit of all."

The EU has adopted the first set of rules regulating the platform economy. As of this coming Sunday, businesses and traders selling online via marketplaces will know which criteria will determine their position in search results, hotels using booking platforms will have greater clarity and protection from unfair terms and conditions, app developers will have a chance to challenge decisions by app stores that wish to remove their content.

The Commission will also publish **official guidelines on ranking** in the coming weeks. These guidelines will help online platforms and search engines improve predictability and transparency to help businesses consider how best to increase and manage their online visibility.

# **Q&A** on Platform to Business for small businesses and other online operators

The Commission has prepared a <u>Q&A document</u> that can serve as a checklist for online platforms and search engines, particularly smaller ones, when implementing the new requirements. It will help businesses get information on their new rights and the options available to resolve problems that may arise in their commercial relationships with online platforms. It also contains useful information for online intermediation services, search engines and representative organisations or associations. Furthermore, the Commission has produced a <u>video</u> to help online platforms and search engines assess whether the new rules apply to them.

## Progress reports of the expert group for the observatory on the online platform economy

The Commission is closely following the developments in the online platform economy. The <u>expert</u> group for the Observatory for the Online Platform Economy has supported the Commission in this task by helping to monitor the market and the effective implementation of the new rules.

The <u>three progress reports</u> point to imbalances in market power in the relationship between online platforms and their business users in terms of both access to and the use of data, as well as to discrimination as a potential source of issues in the online platform economy. Stakeholders, including online platforms, the businesses relying on these online platforms, experts as well as enforcers are invited to <u>provide feedback</u> by 8 September.

## **Next steps**

The progress reports will feed into the Commission's current work priorities in the digital area as announced in the Commission's Communication on <u>Shaping Europe's Digital Future</u> as well as in its <u>data strategy</u> and provide input for the <u>Digital Services Act</u> package. Two more reports will be

produced on online advertising and platforms with significant market power that will, alongside the present reports, feed into a final contribution by the expert group of the Observatory later this year.

#### Background

The Platform to Business Regulation entered into force in July 2019 and will apply from 12 July 2020. It sets the basic horizontal foundation for a fair, transparent and predictable business environment for smaller businesses and traders relying on search engines and online platforms such as online marketplaces, app stores, certain price comparison tools or business pages on social media for their activities.

As part of the <u>European Digital Strategy</u>, the Commission has announced a <u>Digital Services Act</u> package that will further strengthen the Single Market for digital services and foster innovation and competitiveness of the European online environment. The Commission launched a <u>wide-ranging</u> <u>public consultation</u> in early June. It will close on 8 September.

The Commission has also set out general guidelines to online platforms and Member States for tackling illegal content online through a <u>Communication</u> in 2017 and a <u>Recommendation</u> in 2018. The Commission continues to lead targeted actions in coordinating the cooperation between online platforms, authorities and trusted organisations in areas such as combatting illegal hate speech online, or ensuring that products reaching European consumers in the single market are safe. In addition, sector-specific legislation has been adopted (in particular in the field of audiovisual and media services and copyright) or proposed (as regards terrorist content online).

#### For more information

<u>Q&A on Platform to Business for small businesses and other online operators</u>

Video explainer: To whom the new Platform to Business rules will apply

About online platforms

About the Digital Services Act

European Commission Communication on Shaping Europe's Digital Future

About the Observatory for the online platform economy

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