

Online platforms and the digital single market

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The European Parliament adopted by 393 votes to 146 with 74 abstentions a resolution on online platforms and the digital single market.

Members considered that e-platforms are beneficial to the digital economy and to today's society because they offer consumers a wider range of choices and create new markets. However, they posed new policy and regulatory challenges.

Although many EU policies also apply to online platforms, in some cases the legislation is not correctly applied or interpreted differently across the Member States. In this regard, Members called for **an effective and attractive regulatory environment** to help develop digital and online activities in Europe.

Definition of platforms: Parliament agreed that one single EU definition or 'one size fits all' approach would not help the EU succeed in the platform economy due to the wide variety of platform types and their areas of activity, as well as the rapidly changing environment of the digital world.

However, MEPs are aware of the importance of **avoiding the fragmentation of the EU's internal market** as well as of the need to provide certainty and a level playing field for both businesses and consumers.

They therefore suggested that e-platforms should be distinguished and defined in the relevant sectoral legislation at EU level according to their characteristics, classifications and principles and following a problem-driven approach. They called on the Commission to propose, where appropriate, regulatory or other measures based on a thorough impact assessment.

Parliament believed that a clear distinction should be drawn between B2C and B2B platforms

in light of the emerging B2B online platforms which are key to the development of the industrial internet, such as **cloud-based services** or data-sharing platforms enabling communication between **internet of things (IoT)** products. The Commission should address barriers in the single market that hinder the growth of these platforms.

A level playing field: the resolution stressed the importance of fair and effective competition between online platforms in order to promote consumer choice and to avoid the creation of monopolies or dominant positions that distort markets. Network **neutrality** and **equitable and non-discriminatory access** to online platforms is a prerequisite for innovation and a truly competitive market.

Members urge the Commission to prioritise actions that allow **European start-ups** and online platforms to emerge and scale up.

Clarifying intermediaries' liability: Parliament noted that the current limited liability regime for intermediaries was one of the issues raised by some stakeholders and needed to be clarified. It stressed the following points:

- the Commission should provide **guidance** to enable online platforms to comply with their responsibilities, improve legal certainty and increase user confidence;
- platforms should **strengthen measures to combat illegal and harmful online content**: Members welcomed the Commission's intention to propose measures for video sharing platforms to protect and remove content related to hate speech;

- liability rules for on-line platforms should address issues related to **illegal content and goods**: the Commission should define and clarify notification and withdrawal procedures to combat such content;
- platforms should provide users with **tools to report false news** so that other users are informed: the Commission should analyse the possibility of legislative intervention to limit the spread of false content.

In addition, Members stressed the need to:

- set up online platforms to **combat illegal goods and content and unfair practices** (for example, resale of entertainment tickets at exorbitant prices) through regulatory measures supplemented by regulatory measures, (e.g. to identify repeat offenders, or by setting up specialised content moderation teams and tracing dangerous products) or hybrid measures;
- ensure compliance with the General Data Protection Regulation and the Directive on Network and Information Security, underlining the need to inform users of the **exact nature of the data collected** and the ways they will be used.

Informing and empowering citizens and consumers: the resolution underlined that the internet of the future cannot succeed without users' trust in online platforms. Online platforms should offer customers clear, comprehensive and fair terms and conditions and ensure user-friendly ways of presenting their terms and conditions, processing of data, legal and commercial guarantees and possible costs, while avoiding complex terminology.

Lastly, Members called for an **assessment of current legislation and self-regulatory mechanisms** to determine whether they provide adequate protection for users, consumers and businesses in the context of a growing number of complaints and investigations initiated by the Commission concerning several platforms.