



“The voice of crafts and SMEs in Europe”

European SMEs welcome Commission’s proposal on Platforms

UEAPME praises EC efforts, urges European Parliament and Council to quickly adopt proposal

Brussels, 25th April 2018 – Today, the European Commission published its proposal for a Regulation to tackle unfair practices from platforms towards businesses. UEAPME warmly welcomes this proposal as an important step forward in ensuring fairness in the Digital Single Market. *“With this proposal, the European Commission has proven that it can react quickly with appropriate legislation to prevent further distortions of the market. We are grateful that the Commission has listened to our requests. However, the proposal needs also some fine-tuning, price parity clauses should be prohibited”* stated UEAPME President Ulrike Rabmer-Koller.

Online Platforms such as booking websites, online marketplaces and search engines play a key role in the expansion of the digital economy. Over the last years, there has been a rapid growth of online intermediary platforms which has led to new challenges for the existing business models, especially those of SMEs. Platforms can also offer a lot of opportunities for small retailers to enter a bigger marketplace, to use the service provided by the platform to sell their products online. At the same time, this has led to an increasing dependency on them.

“While nobody will deny the importance of platforms for the European economy, they have to operate in a fair and transparent way”, commented Ms Rabmer-Koller. Indeed, over the last years, there was an increasing number of complaints about the trading practices of some platforms. Terms and conditions are suddenly changed, platforms favour their own products, and ranking criteria are unclear. Terms and conditions in general cannot be negotiated and in any case there is an unbalanced bargaining power between service providers and online platforms. The core problem at hand is the power of such platforms to unilaterally alter its T&Cs, and therefore possibly some essential terms of the contract, without the prior consent of the service provider.

The Commission’s proposal is a timely reply to these issues and tackles most of the problems with proportionate measures. However, there is still room for improvement. Price parity clauses should be prohibited. Moreover, dispute settlement through mediation should remain on a voluntary basis for businesses.

“This legislation is normal and fair business practice. It regulates cooperation in a fair and transparent manner”, commented Ms Rabmer-Koller. *“This Proposal of course needs some fine tuning but we urge the European Parliament and the Council to support this Regulation and adopt it without delay before the end of the Parliament’s mandate”*, she concluded.

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EDITORS’ NOTES: UEAPME is the employers’ organisation representing Crafts and SMEs from the EU and accession countries at European level. UEAPME has 64 member organisations covering about 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information please visit <http://www.ueapme.com/> or follow [@UEAPME](https://twitter.com/UEAPME) on Twitter.

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