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## TEXTS ADOPTED

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### **P8\_TA(2017)0272**

#### **Online platforms and the Digital Single Market**

##### **European Parliament resolution of 15 June 2017 on online platforms and the digital single market (2016/2276(INI))**

*The European Parliament,*

- having regard to the Commission communication of 25 May 2016 on ‘Online Platforms and the Digital Single Market – Opportunities and Challenges for Europe’ (COM(2016)0288) and the accompanying Commission staff working document (SWD(2016)0172),
- having regard to the Commission communication of 2 June 2016 on ‘A European agenda for the collaborative economy’ (COM(2016)0356) and the accompanying Commission staff working document (SWD(2016)0184),
- having regard to the Commission communication of 19 April 2016 on ‘EU eGovernment Action Plan 2016-2020 – Accelerating the digital transformation of government’ (COM(2016)0179) and the accompanying Commission staff working documents (SWD(2016)0108 and SWD(2016)0109),
- having regard to the Commission communication of 19 April 2016 on ‘Digitising European Industry – Reaping the full benefits of a Digital Single Market’ (COM(2016)0180) and the accompanying Commission staff working document (SWD(2016)0110),
- having regard to the Commission communication of 6 May 2015 on ‘A Digital Single Market Strategy for Europe’ (COM(2015)0192) and the accompanying Commission staff working document (SWD(2015)0100),
- having regard to the Commission communication of 19 April 2016 on ‘European Cloud Initiative – Building a competitive data and knowledge economy in Europe’ (COM(2016)0178) and the accompanying Commission staff working document (SWD(2016)0106),
- having regard to the Commission communication of 10 January 2017 on ‘Building a European Data Economy’ (COM(2017)0009) and the accompanying Commission staff working document (SWD(2017)0002),

- having regard to its resolution of 16 February 2017 on the European Cloud Initiative<sup>1</sup>,
- having regard to its resolution of 19 January 2016 on Towards a Digital Single Market Act<sup>2</sup>,
- having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights<sup>3</sup>,
- having regard to Regulation (EU) 2015/2120 of the European Parliament and of the Council of 25 November 2015 laying down measures concerning open internet access and amending Directive 2002/22/EC on universal service and users' rights relating to electronic communications networks and services and Regulation (EU) No 531/2012 on roaming on public mobile communications networks within the Union<sup>4</sup>,
- having regard to the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 531/2012 as regards rules for wholesale roaming markets (COM(2016)0399),
- having regard to the proposal for a directive of the European Parliament and of the Council establishing the European Electronic Communications Code (COM(2016)0590),
- having regard to the proposal for a directive of the European Parliament and of the Council on copyright in the Digital Single Market (COM(2016)0593),
- having regard to Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (Directive on electronic commerce)<sup>5</sup> ('e-Commerce Directive'),
- having regard to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)<sup>6</sup>,
- having regard to Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union<sup>7</sup> (Network and Information Security Directive),
- having regard to the proposal for a directive of the European Parliament and of the Council amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services in view of changing market realities (COM(2016)0287) (AVMS Directive),

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<sup>1</sup> Texts adopted, P8\_TA(2017)0052.

<sup>2</sup> Texts adopted, P8\_TA(2016)0009.

<sup>3</sup> Texts adopted, P8\_TA(2017)0010.

<sup>4</sup> OJ L 310, 26.11.2015, p. 1.

<sup>5</sup> OJ L 178, 17.7.2000, p. 1.

<sup>6</sup> OJ L 119, 4.5.2016, p. 1.

<sup>7</sup> OJ L 194, 19.7.2016, p. 1.

- having regard to the proposal for a regulation of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws (COM(2016)0283),
  - having regard to the proposal for a directive of the European Parliament and of the Council on certain aspects concerning contracts for the supply of digital content (COM(2015)0634),
  - having regard to the Commission staff working document of 25 May 2016 on ‘Guidance on the implementation/application of Directive 2005/29/EC on unfair commercial practices (SWD(2016)0163),
  - having regard to the ‘ICT Sector Guide on Implementing the UN Guiding Principles on Business and Human Rights’ published by the Commission in June 2013,
  - having regard to the Commission staff working document of 15 September 2016 entitled ‘Preliminary Report on the E-commerce Sector Inquiry’ (SWD(2016)0312),
  - having regard to the opinion of the European Economic and Social Committee on the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled ‘Online Platforms and the Digital Single Market - Opportunities and Challenges for Europe’<sup>1</sup>,
  - having regard to Rule 52 of its Rules of Procedure,
  - having regard to the joint deliberations of the Committee on Industry, Research and Energy and the Committee on the Internal Market and Consumer Protection under Rule 55 of the Rules of Procedure,
  - having regard to the report of the Committee on Industry, Research and Energy and the Committee on the Internal Market and Consumer Protection and the opinion of the Committee on Legal Affairs (A8-0204/2017),
- A. whereas the *raison d’être* of the digital single market is to avoid fragmentation between national legislations and to abolish technical, legal and tax barriers so as to allow businesses, citizens and consumers to fully benefit from digital tools and services;
  - B. whereas digitisation and new technologies continue to change forms of communication, access to information and the behaviour of citizens, consumers and companies, and whereas the fourth industrial revolution will lead to digitisation of all facets of the economy and society;
  - C. whereas the evolving use of the internet and mobile devices offers new business opportunities for businesses of all sizes and generates new and alternative business models taking advantage of new technologies and access to the global market, but also creates new challenges;
  - D. whereas the evolving development and use of internet platforms for a wide set of activities, including commercial activities and sharing goods and services, have changed the ways in which users and companies interact with content providers, traders and

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<sup>1</sup> OJ C 75, 10.3.2017, p. 119.

other individuals offering goods and services;

- E. whereas the e-Commerce Directive exempts intermediaries from liability for content only if they have neither knowledge nor control in relation to the information transmitted and/or hosted, but where intermediaries have actual knowledge of infringement or illegal activity or information it requires expeditious action to remove or disable access to illegal information or activity upon obtaining such knowledge;
- F. whereas numerous online platforms and information society services offer easier access to goods, services and digital content, and have extended their activities in relation to consumers and other actors;
- G. whereas the Commission is carrying out a number of assessments of consumer protection rules and B2B practices engaged in by online platforms towards their business users;
- H. whereas creativity and innovation are the drivers of the digital economy, and whereas it is therefore essential to ensure a high level of protection of intellectual property rights;

### ***General introduction***

1. Welcomes the communication on ‘Online Platforms and the Digital Single Market - Opportunities and Challenges for Europe’;
2. Welcomes the different initiatives already proposed under the Digital Single Market Strategy for Europe; stresses the importance of coordination and consistency between these initiatives; considers that achieving a digital single market is essential for fostering the EU’s competitiveness, creating high-quality jobs and highly skilled jobs, and promoting the growth of the digital economy in Europe;
3. Acknowledges that online platforms benefit today’s digital economy and society by increasing the choices available to consumers and creating and shaping new markets; points out, however, that online platforms present new policy and regulatory challenges;
4. Recalls that many EU policies also apply to online platforms, but notes that in some cases the legislation is not enforced properly or is interpreted in a different manner in the Member States; stresses the importance of proper implementation and enforcement of EU legislation prior to considering whether there is a need to complement the current legal framework in order to remedy this situation;
5. Welcomes the ongoing work being done to update and complement the current legal framework so as to make it fit for purpose in the digital age; believes that an effective and attractive regulatory environment is vital for the development of online and digital business in Europe;

### ***Definition of platforms***

6. Acknowledges that it would be very difficult to arrive at a single, legally relevant and future-proof definition of online platforms at EU level, owing to factors such as the great variety of types of existing online platforms and their areas of activity, as well as

the fast-changing environment of the digital world; believes that in any case one single EU definition or ‘one size fits all’ approach would not help the EU succeed in the platform economy;

7. Is aware, at the same time, of the importance of avoiding the fragmentation of the EU internal market which could occur through a proliferation of regional or national rules and definitions, as well as of the need to provide certainty and a level playing field for both businesses and consumers;
8. Believes, therefore, that online platforms should be distinguished and defined in relevant sector-specific legislation at EU level according to their characteristics, classifications and principles and following a problem-driven approach;
9. Welcomes the Commission’s ongoing work on online platforms, including consultations of stakeholders and carrying out an impact assessment; believes that this kind of evidence-based approach is essential for generating a comprehensive understanding in this field; calls on the Commission, to propose, if necessary, regulatory or other measures based on this in-depth analysis;
10. Notes that online B2C and C2C platforms operate within a highly diverse range of activities, such as e-commerce, the media, search engines, communications, payment systems, labour provision, operating systems, transport, advertising, distribution of cultural content, the collaborative economy and social networks; further notes that although certain common features permit identification of these entities, online platforms can take many forms, and many different approaches can be taken to identify one;
11. Notes that online B2C and C2C platforms are, to a greater or lesser extent, characterised by certain common features, such as but not limited to: operating in multi-sided markets; enabling parties belonging to two or more distinct user groups to enter into direct contact by electronic means; connecting different types of users; offering online services tailored to user preferences and based on data provided by users; classifying or referencing content, e.g. by using algorithms, goods or services proposed or put on-line by third parties; bringing together several parties with a view to the sale of a good, the provision of a service or the exchange or sharing of content, information, goods or services;
12. Points out the crucial importance of clarifying the methods by which decisions based on algorithms are taken and promoting transparency in the use of those algorithms; calls on the Commission and the Member States, therefore, to examine the potential for error and bias in the use of algorithms in order to prevent any kind of discrimination, unfair practice or breach of privacy;
13. Considers, however, that a clear difference should be made 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; calls on the Commission to address the barriers in the single market that are hindering the growth of such platforms;

14. Notes that online platforms use the internet as a means of interaction and act as facilitators between parties, thus providing benefits to users, consumers and businesses by facilitating access to the global market; notes that online platforms may contribute to the adjustment of the supply and demand of goods and services, on a basis of community sentiment, shared access, reputation and trust;
15. Notes that online platforms and applications, many of them conceived by European application developers, benefit from the enormous and ever-increasing numbers of connected mobile devices, PCs, laptops and other computing devices, and are increasingly available on those devices;
16. Points out that top priority needs to be given to ensuring sufficient investment for the deployment of high-speed broadband networks and other digital infrastructure in order to meet the connectivity targets of the gigabit society, since such deployment is crucial to enable citizens and businesses to reap the benefits of the development of 5G technology, and generally to ensure connectivity across the Member States;
17. Underlines that the increasingly widespread use of smart devices, including smartphones and tablets, has further extended and improved access to new services, including online platforms, thereby enhancing their role in the economy and society, particularly among young people but increasingly among all age groups; notes that digitisation will further increase with the fast-paced development of the IoT, which is expected to connect 25 billion objects by 2020;
18. Considers that access to online platforms through high-quality technology is important for all citizens and businesses, not just those who are already active online; stresses the importance of preventing the emergence of gaps that can potentially arise from lack of digital skills or unequal access to technology; stresses that a committed approach towards digital skills development is required at national and European level;
19. Draws attention to the rapidly developing online platform markets, which offer a new outlet for products and services; recognises the global and cross-border nature of such markets; points out that global online platform markets offer consumers a wide variety of choices and effective price competition; notes that the 'roam like at home' agreement supports the cross-border dimension of online platforms by making the use of online services more affordable;
20. Notes the growing role of online platforms in the sharing and provision of access to news and other information that is of value to citizens as well as for the functioning of democracy; believes that online platforms can also act as enablers of e-governance;
21. Urges the Commission to continue to promote the growth of European online platforms and start-ups and strengthen their ability to scale up and compete globally; calls on the Commission to maintain an innovation-friendly policy towards online platforms in order to facilitate market entry; regrets the EU's low share of market capitalisation in online platforms; stresses the importance of removing the obstacles that hamper the smooth operation of online platforms across borders and disrupt the functioning of the European digital single market; highlights the importance of non-discrimination and the need to facilitate switching between platforms offering compatible services;
22. Emphasises that crucial factors include an open environment, homogeneous rules, availability of sufficient connectivity, interoperability of existing applications and

availability of open standards;

23. Recognises the significant benefits that online platforms can offer for SMEs and start-ups; notes that online platforms are often the easiest and most suitable first step for small businesses which want to go online and benefit from online distribution channels; notes that online platforms allow SMEs and start-ups to access global markets without having to excessively invest in building up costly digital infrastructure; underlines the importance of transparency and fair access to platforms, and recalls that the increasing dominance of some online platforms should not diminish entrepreneurial freedom;
24. Urges the Commission to prioritise actions that allow European start-ups and online platforms to emerge and scale up; stresses that facilitating funding and investment in start-ups, using all existing financing instruments, is vital to the development of online platforms originating in Europe, specifically through access to risk capital and different channels such as banking or public funds, or through alternative funding options such as crowdfunding and crowd-investment;
25. Notes that some online platforms enable the collaborative economy and contribute to its growth in Europe; welcomes the Commission communication on the collaborative economy, and emphasises that this should represent a first step towards a more comprehensive EU strategy in this area which supports the development of new business models; stresses that those new business models create jobs, foster entrepreneurship and offer new services, greater choice and better prices for citizens and consumers, as well as generating flexibility and new opportunities, but can also give rise to challenges and risks for workers;
26. Points out that Member States have improved in the field of labour and social standards and social protection systems over the past decades, and stresses that the development of the social dimension has to be secured also in the digital era; notes that increasing digitisation impacts on labour markets, on the redefining of jobs and on the contractual relations between workers and businesses; notes the importance of ensuring respect for labour and social rights and the adequate enforcement of existing legislation in order to further foster social security schemes and the quality of employment; also calls on the Member States, in collaboration with social partners and other relevant stakeholders, to assess the need for the modernisation of existing legislation, including social security systems, in order to stay abreast of technological development while ensuring the protection of workers, as well as guaranteeing decent working conditions and producing general benefits for society as a whole;
27. Calls on the Member States to ensure adequate social security for self-employed workers, who are key players in the digital labour market; also calls on the Member States to develop new protection mechanisms where necessary so as to ensure adequate coverage for online platform workers, as well as non-discrimination and gender equality, and to share best practices at European level;
28. Notes that online health platforms can support innovative activities by creating and transferring relevant knowledge from engaged healthcare consumers to an innovating healthcare environment; stresses that new innovation platforms will co-design and co-create the next generation of innovative healthcare products so that they precisely match current unmet needs;

### *Clarifying the liability of intermediaries*

29. Notes that the current EU intermediary limited liability regime is one of the issues raised by certain stakeholders in the ongoing debate on online platforms; notes that the consultation on the regulatory environment for platforms has shown relative support for the current framework contained in the e-Commerce Directive, but also the need to eliminate certain flaws in its enforcement; believes, therefore, that the liability regime should be further clarified, since it is a crucial pillar for the EU's digital economy; believes that guidance is needed from the Commission on the implementation of the intermediary liability framework in order to allow online platforms to comply with their responsibilities and the rules on liability, enhance legal certainty, and increase user confidence; calls on the Commission to develop further steps to that effect, recalling that platforms not playing a neutral role as defined in the e-commerce Directive cannot claim liability exemption;
30. Stresses that, despite the fact that more creative content is being consumed today than ever before on services such as user-uploaded content platforms and content aggregation services, the creative sectors have not seen a comparable increase in revenue from this increase in consumption; stresses that one of the main reasons for this is considered to be a transfer of value that has emerged thanks to the lack of clarity regarding the status of these online services under copyright and e-commerce law; stress that an unfair market has been created, threatening the development of the digital single market and its main players, namely the cultural and creative industries;
31. Welcomes the Commission's undertaking to publish guidance on intermediary liability since there is a certain lack of clarity as regards the current rules and their implementation in some Member States; believes that the guidance will reinforce user trust in online services; urges the Commission to submit its proposals; calls on the Commission to draw attention to the regulatory differences between the online and offline worlds and to create a level playing field for comparable services online and offline, where necessary and possible and taking account of the specificities of each domain, the evolution of society, the need for more transparency and legal certainty, and the need not to impede innovation;
32. Considers that digital platforms are means of providing wider access to cultural and creative works and offer great opportunities for the cultural and creative industries to develop new business models; highlights the need to consider how this process can function with greater legal certainty and respect for rightholders; underlines the importance of transparency and of ensuring a level playing field; considers in this regard that protection of rightholders within the copyright and intellectual property framework is necessary in order to ensure recognition of values and stimulation of innovation, creativity, investment and the production of content;
33. Urges online platforms to strengthen measures to tackle illegal and harmful content online; welcomes the ongoing work on the AVMS Directive and the Commission's intention to propose measures for video-sharing platforms in order to protect minors and for taking down content related to hate speech; notes the absence of references to content relating to incitement to terrorism; calls for special attention to avoid bullying and violence against vulnerable people;
34. Considers that the liability rules for online platforms should allow the tackling of issues related to illegal content and goods in an efficient manner, for instance by applying due



- diligence while maintaining a balanced and innovation-friendly approach; urges the Commission to define and further clarify the notice and takedown procedures and to provide guidance on voluntary measures aimed at addressing such content;
35. Stresses the importance of taking action against the dissemination of fake news; calls on the online platforms to provide users with tools to denounce fake news in such a way that other users can be informed that the veracity of the content has been contested; points out, at the same time, that the free exchange of opinions is fundamental to democracy and that the right to privacy also applies in the social media sphere; highlights the value of the free press with regard to providing citizens with reliable information;
  36. Calls on the Commission to analyse in depth the current situation and legal framework with regard to fake news, and to verify the possibility of legislative intervention to limit the dissemination and spreading of fake content;
  37. Stresses the need for online platforms to combat illegal goods and content and unfair practices (e.g. the reselling of entertainment tickets at extortionate prices), through regulatory measures complemented by effective self-regulatory measures (e.g. through clear terms of use and appropriate mechanisms to identify repeat offenders, or by setting up specialised content moderation teams and tracing dangerous products) or hybrid measures;
  38. Welcomes the Code of Conduct on Countering Illegal Hate Speech for the industry, agreed in 2016 and supported by the Commission, and asks the Commission to develop adequate and reasonable means for online platforms to identify and remove illegal goods and content;
  39. Believes that compliance with the General Data Protection Regulation (GDPR) and the Network and Information Security (NIS) Directive is essential as regards data ownership; notes that users often have incentives to share their personal data with online platforms; stresses the need to inform users of the exact nature of the data collected and the ways it will be used; underlines that it is imperative for users to have control over the collection and the use of their personal data; stresses that there should also be an option not to share personal data; notes that the ‘right to be forgotten’ rule also applies to online platforms; calls on online platforms to ensure that anonymity is secured when personal data is handled by third parties;
  40. Invites the Commission to rapidly conclude its review of the need for formal notice and action procedures as a promising means of strengthening the liability regime in a harmonised way across the EU;
  41. Encourages the Commission to submit as soon as possible its practical guidance on the market surveillance of products sold online;

### ***Creating a level playing field***

42. Urges the Commission to ensure a level playing field between online platform service providers and other services with which they compete, including B2B and C2C; stresses that regulatory certainty is essential to creating a thriving digital economy; notes that competitive pressure varies between different sectors and different actors within sectors;

recalls therefore that ‘one size fits all’ solutions are rarely appropriate; considers that any tailor-made solutions or regulatory measures proposed have to take account of the specific characteristics of platforms in order to ensure fair competition on an equal footing;

43. Draws attention to the fact that the size of online platforms varies from multinationals to micro-enterprises; stresses the importance of fair and effective competition between online platforms in order to promote consumer choice and avoid the creation of monopolies or dominant positions that distort the markets through abuse of market power; stresses that facilitating switching between online platforms or online services is an essential measure for preventing market failures and avoiding lock-in situations;
44. Notes that online platforms are altering the highly regulated traditional business model; underlines that possible reforms of the existing regulatory framework should concentrate on the harmonisation of rules and reducing regulatory fragmentation, in order to secure an open and competitive market for online platforms while guaranteeing high standards of consumer protection; emphasises the need to avoid over-regulation and to continue the REFIT process and the implementation of the better regulation principle; stresses the importance of technology neutrality and of coherence between rules that apply online and offline in equivalent situations to the extent necessary and possible; stresses that regulatory certainty fosters competition, investment and innovation;
45. Underlines the importance of investment in infrastructure in both urban and rural areas; stresses that fair competition ensures investment in quality high-speed broadband services; stresses that affordable access to and full deployment of reliable high-speed infrastructure, such as ultrafast connections and telecommunications, fosters the supply and use of online platform services; stresses the need for net neutrality and fair and non-discriminatory access to online platforms as a prerequisite for innovation and a truly competitive market; urges the Commission to streamline the funding schemes for related initiatives facilitating the digitisation process, in order to use the European Fund for Strategic Investments (EFSI), the European Structural and Investment Funds (ESIF) and Horizon 2020 (H2020) and the contributions from Member States’ national budgets; calls on the Commission to assess the potential of public-private partnerships (PPPs) and Joint Technology Initiatives (JTIs);
46. Calls on the Commission to consider establishing a harmonised approach to the right of rectification, the right to counterstatement and the right to forbearance for users of platforms;
47. Calls on the Commission to create a level playing field with regard to claims for damages against platforms arising from the circulation of disparaging facts which create persistent harm for the user;

### ***Informing and empowering citizens and consumers***

48. Underlines that the internet of the future cannot succeed without users’ trust in online platforms, greater transparency, a level playing field, protection of personal data, better control of advertising and other automated systems, and online platforms that respect all applicable legislation and the legitimate interests of users;

49. Stresses the importance of transparency in relation to data collection and usage, and considers that online platforms must adequately respond to users' concerns by duly requesting their consent in accordance with the GDPR and by informing them more effectively and clearly about what personal data is collected and how it is shared and used in line with the EU data protection framework, while retaining the option of withdrawal of consent to individual provisions without forfeiting complete access to a service;
50. Calls on the Commission and the Member States to take the necessary measures to ensure full respect of citizens' rights to privacy and to protection of their personal data in the digital environment; emphasises the importance of correct implementation of the GDPR, ensuring the full application of the principle of 'privacy by design and by default';
51. Notes the importance of clarifying the issues of data access, data ownership and liability related to data, and calls on the Commission to further assess the current regulatory framework with regard to these issues;
52. Underlines that the cross-border nature of online platforms represents a huge advantage in developing the digital single market, but also requires better cooperation between national public authorities; asks existing consumer protection services and mechanisms to collaborate and provide efficient consumer protection in relation to online platforms' activities; further notes the importance of the Cross-border Enforcement and Cooperation Regulation in this regard; welcomes the Commission's intention to further assess any additional need to update existing consumer protection rules in relation to platforms, as part of the REFIT check of EU consumer and marketing law in 2017;
53. Encourages online platforms to 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, in order to enhance consumer protection and bolster trust and understanding of consumer rights, since this is vital for online platforms to succeed;
54. Points out that high standards of consumer protection on online platforms are not only needed in B2B practices but also in C2C relationships;
55. Calls for an assessment of current legislation and self-regulation mechanisms in order to determine whether they provide adequate protection to users, consumers and businesses, against the backdrop of an increasing number of complaints and the investigations opened by the Commission into several platforms;
56. Stresses the importance of providing users with clear, impartial and transparent information on the criteria used to filter, rank, sponsor, personalise or review information presented to them; underlines the need for clear differentiation between sponsored content and any other content;
57. Calls on the Commission to address certain issues of platforms' review systems, such as fake reviews or deletion of negative reviews, with the aim of gaining competitive advantage; stresses the need to make reviews more reliable and useful for consumers and to ensure that platforms respect existing obligations and take measures in this respect against practices such as voluntary schemes; welcomes the guidance on the implementation of the Unfair Commercial Practices Directive;

58. Calls on the Commission to assess the need for criteria and thresholds setting the conditions under which online platforms may be made subject to further market surveillance, and to provide guidance for online platforms with a view to facilitating their compliance with existing obligations and guidelines in a timely manner, in particular in the realm of consumer protection and competition rules;
59. Stresses that the rights of authors and creators must be protected also in the digital era, and recalls the importance of creative industry for employment and the economy in the EU; calls on the Commission to assess the current Intellectual Property Rights Enforcement Directive (IPRED)<sup>1</sup>, in order to prevent the intentional misuse of reporting processes and ensure that all actors in the value chain, including intermediaries such as internet service providers, can fight more effectively against counterfeiting, by taking active, proportionate and effective measures to ensure traceability and prevent the promotion and distribution of counterfeit goods, given that counterfeiting represents a risk for consumers;
60. Emphasises the need to restore a balance in the sharing of value for intellectual property, in particular on platforms distributing protected audiovisual content;
61. Calls for closer cooperation between platforms and rightholders in order to ensure proper clearance of rights and fight the infringement of IPRs online; recalls that such infringements can constitute a real issue, not only for companies but also for the health and safety of consumers, who must be made aware of the reality of the illicit trade in fake products; reiterates, therefore, its call for the application of the ‘follow the money’ approach with relevant payment services, in order to deprive counterfeiters of means of pursuing their economic activity; underlines that a revision of IPRED could be an appropriate means of ensuring a high level of cooperation between platforms, users and all other economic actors, together with the correct application of the e-commerce Directive;
62. Calls on the Commission to further promote the platform that has been launched for settling disputes involving purchases made online among consumers, to improve its user-friendliness, and to monitor compliance by traders with their obligation to place a link to that platform on their website, in order to further address the increasing number of complaints against several online platforms;

### ***Increasing online trust and fostering innovation***

63. Underlines that the effective enforcement of data protection and consumer rights in online markets in line with the provisions of the GDPR and the NIS Directive are priority actions, for both public policy and businesses, when it comes to increasing trust; stresses that consumer and data protection require a variety of measures and technical means in the fields of online privacy, internet security and cybersecurity; underlines the importance of transparency in relation to data collection and the security of payments;
64. Notes that online payments offer a high level of transparency that helps to protect the rights of consumers and entrepreneurs and minimise fraud risks; welcomes also the new innovative alternative payment methods, such as virtual currencies and e-wallets; notes that transparency facilitates comparison of prices and transaction costs and increases the

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<sup>1</sup> Directive 2004/48/EC (OJ L 157, 30.4.2004, p. 45) .

traceability of economic transactions;

65. Stresses that a fair, predictable and innovation-friendly environment, as well as investment in research and development and upskilling of the workforce, are vital for generating new ideas and innovations; underlines the importance of open data and open standards for the development of new online platforms and innovation; recalls that the review of the implementation of the Re-Use of Public Service Information Directive<sup>1</sup> is due in 2018; notes that open, advanced and shared test beds and open application programming interfaces can be an asset for Europe;
66. Highlights the importance of a committed approach, from the Commission and in particular from the Member States, towards digital skills development, in order to form a highly skilled workforce, since this is a condition for ensuring a high level of employment under fair conditions throughout the EU while terminating the digital illiteracy which foments the digital divide and digital exclusion; underlines, therefore, that the development and improvement of digital skills is imperative and requires major investments in education and lifelong learning;
67. Considers that platforms on which a significant volume of protected works are stored and made available to the public should conclude licence agreements with relevant rightholders, unless they are not active and are thus covered by the exemption foreseen in Article 14 of the e-commerce Directive, with a view to fair profit-sharing with authors, creators and relevant rightholders; underlines that such license agreements and their implementation must respect users' exercise of their fundamental rights;

### ***Respecting B2B relations and EU competition law***

68. Welcomes the actions of the Commission to better enforce competition law in the digital world, and stresses the need to take timely decisions in competition cases in light of the fast-moving pace of the digital sector; notes, however, that in some regards EU competition law has to be adjusted to the digital world in order to be fit for purpose;
69. Is concerned about problematic unfair B2B trading practices by some online platforms, such as lack of transparency (e.g. in search results, data usage or pricing), unilateral changes in terms and conditions, promotion of advertising or sponsored results while diminishing the visibility of non-paid results, possible unfair terms and conditions, e.g. in payment solutions, and possible abuses of the dual role of platforms as intermediaries and competitors; notes that this dual role may create economic incentives for online platforms to discriminate in favour of their own products and services and impose discriminating B2B terms; calls on the Commission to take appropriate measures in this regard;
70. Calls on the Commission to propose a pro-growth, pro-consumer, targeted legislative framework for B2B relations based on the principles of preventing abuse of market power and ensuring that platforms that serve as a gateway to a downstream market do not become gatekeepers; considers that such a framework should serve to avoid detrimental effects on consumer welfare and promote competition and innovation; further recommends that this framework be technology-neutral and capable of addressing existing risks, for example in relation to the market for mobile operating

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<sup>1</sup> Directive 2003/98/EC (OJ L 345, 31.12.2003, p. 90).

system but also to future risks with new internet-driven technologies such as IoT or artificial intelligence, which will further consolidate the position of platforms set even more squarely between online businesses and consumers;

71. Welcomes the targeted fact-finding exercise on B2B practices to be conducted by Commission by spring 2017, and urges that effective steps be taken to ensure fair competition;
72. Underlines that EU competition law and authorities need to guarantee a level playing field where appropriate, including in respect of consumer protection and tax issues;
73. Notes the recent revelations involving, among other elements, big digital companies and their tax planning practices in the EU; welcomes in this connection the efforts made by the Commission to fight tax avoidance, and calls on the Member States and the Commission to propose further reforms to prevent tax avoidance practices in the EU; calls for action to ensure that all companies, including digital companies, pay their taxes in the Member States where their economic activities take place;
74. Points out the differences in the legal landscape in the 28 Member States and the specificities of the digital sector, in which the physical presence of a company in the country of the market is often not needed; calls on the Member States to adjust their VAT systems in line with the country of destination principle<sup>1</sup>;

### *The EU's place in the world*

75. Points out that the EU's presence in the world market is regrettably low, in particular owing to the current fragmentation of the digital market, legal uncertainty and the lack of financing and capacity to market technological innovations, which make it difficult for European companies to become world leaders and to compete with players in the rest of the world in this new, globally competitive economy; encourages development of an environment for start-ups and scale-ups that fosters development and local job creation;
76. Calls for the European institutions to ensure a level playing field between EU and non-EU operators, for instance in respect of taxation and similar matters;
77. Believes that the EU has the potential to become a major player in the digital world, and considers that it should pave the way for an innovation-friendly climate in Europe by ensuring a watertight legal framework that protects all stakeholders;

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78. Instructs its President to forward this resolution to the Commission, the Council, the European Council and the governments and parliaments of the Member States.

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<sup>1</sup> See Parliament's resolution of 24 November 2016 on 'Towards a definitive VAT system and fighting VAT fraud' (Texts adopted, P8\_TA(2016)0453).