

## DIGITAL SME: Why we support this regulation

### Main issues in P2B relationship:

- Big platforms vs. business users: **Asymmetry** of information, of data and of financial resources.
- Market dominance and data scale of big platforms erect **barriers to new entrants**.
- Platforms fulfil an important function in the digital economy. Businesses need access to platforms to offer their products or services.
- Businesses thus have a **disadvantaged negotiating position** vis-à-vis big platforms as regards contract terms, they can be easily excluded, and have no influence over rankings, etc., and **no effective means of redress**.
- In addition, big platform providers are **vertically integrated**, and are a threat to competition.

→ **Big platforms position as gatekeepers gives them power to impose unfair contract terms and shy away competition.**

### Our proposals to make this regulation work:

- How to make it **enforceable**? Define black list of unfair practices (Art. 6a + Annex I + Annex I e) + define and limit acceptable terms & conditions (Art. 3) + Give enforcement mandate to competent authorities (Art. 12a) + Monitoring at national and EU level (EU Platform Observatory - Art. 12b).
- How to make sure this **doesn't harm our digital champions and start-ups**? Define a viable threshold based on revenue and users (e.g. following example of digital tax: this only applies to companies with total annual worldwide revenues of €750 million and EU revenues of €50 million).
- How to ensure it **covers all relevant technologies**? Define a scope that covers also developing technologies: operating systems + voice assistance services, and other developing technologies (Recital 3a + 9 + 9b + Art. 1(2a), Art. 2(3a) and 2(3b), Art. 2a).
- How to strengthen **Europe's data economy**? Provide for right to data access in a fair and affordable way (e.g. based on FRAND principles) (Art. 7).