



CONFEDERATION OF INDUSTRY  
OF THE CZECH REPUBLIC

DIRECTOR GENERAL DAGMAR KUČTOVÁ

PRAGUE, 08 MARCH 2018

REF. NO.: GR/78/2018

**List of recipients:**

President Jean Claude Juncker  
First Vice-President Timmermans  
Vice-President Andrus Ansip  
Vice-President Katainen  
Commissioner Mariya Gabriel  
Commissioner Vera Jourova  
Commissioner Elzbieta Bienkowska

Dear President, dear Vice-Presidents, dear Commissioners,

We have been closely following the forthcoming European Commission's initiative on fairness in platform to business relationships. We have expressed our positions in various discussion formats, and would like to kindly reiterate our concerns on the wider consequences that this sort of platform regulation could have on the growing European platform ecosystem. We hope these will be taken into consideration when drawing the relevant EU legislation.

We fully support the objective of the Digital Single Market strategy set out by the European Commission. We have always encouraged a positive approach and active support to digital transformation in Europe, however with a cautious and careful choice of the right legislative measures to intervene in the fast developing online markets. In the context of the forthcoming platform regulation, we are concerned about the lack of evidence base to properly justify targeted or prescriptive regulatory intervention. We have not heard any response from the European Commission yet to these concerns voiced by many stakeholders in the last year's inception impact assessment.

We remain worried that unless properly justified and evidenced by economic and market data, any platform regulation would negatively affect the whole online ecosystem, creating barriers for all kinds of online businesses and their users. Not only existing European platforms but also SMEs and startups that seek to become platforms would be hurt disproportionately hard by overburdensome regulation and new regulatory burdens (enhanced monitoring and reporting obligations, requirement to negotiate each and every contract and service change with every business users, additional data access and portability obligations or calls for transparency which are not in balance with their rights to protect their know-how and business secrets).

We are even more concerned given the recent reporting that not only contractual obligations but in fact any commercial relationships between a platform and a business user would fall into the scope

of a new EU proposal. This significantly expands the scope and rationale of the legislation we have been discussing over the recent years. Such a dramatic turn should in our view require further engagement with the industry and broader stakeholder community representing the European platform ecosystem, and a detailed impact assessment.

We are deeply convinced horizontal regulation will not be effective. The European Commission in its communication on online platforms previously concluded that horizontal ex ante regulation of online platforms is not necessary nor will it be effective to grow the European platform economy. We share the view of many businesses that a problem-driven approach, enforcement of existing regulation as well as self- and co-regulation, when necessary, offer effective measures to address most of the concerns. Creating one prescriptive legislative instrument for every platform, which have different business models and ways of interacting with business and individual users, risks hitting them disproportionately and without an evidence of a broader market failure.

We look forward to hearing back from you and remain committed to a constructive dialogue and cooperation with the European Commission to ensure a thriving platform economy in Europe. We are ready to provide you with our comments in any form that suits you best.

Yours sincerely,



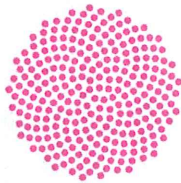
Dagmar Kuchtová

Director General, Confederation of Industry of the Czech Republic





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