



EU Snapshot
N.9- June 2016

It's all about platforms !



On the first anniversary of the **digital single market strategy** in May this year, the European Commission adopted its “comprehensive assessment of the role of platforms” in the social and economic life of the EU. A text much awaited and feared by many stakeholders, as the growing anxiety linked to platforms’ potential **disruptive power** logically leads to growing **regulatory pressure**.

Yet the Commission’s answer has proven quite balanced. After a [public consultation](#) (autumn 2015), a series of scientific workshops and two Eurobarometers, its first move was to acknowledge the difficulty of agreeing on a relevant and encompassing definition of platforms, favouring instead a list of some common characteristics:

- Their **online structure**, allowing them to build on network effects and avoid transaction costs
- Their role of matchmakers, enabling **multi-sided transactions** (seller-buyer, advertiser-audience, etc.) on which they have a varying degree of control
- Their **disruptive effect** on traditional physical markets
- Their key role as new markets enabler and **innovation catalyst** in the digital world

Its non-exhaustive list therefore includes online advertising platforms (AdSense, DoubleClick), market places (Amazon, eBay), general and specialised search engines (Google, Bing, Yelp), social media (Facebook, Twitter), music and audio-visual stakeholders (Spotify, Netflix), collaborative platforms (Uber, BlaBlaCar), etc.

Such a variety of business models leads the Commission to prefer a sector-specific and problem-driven approach, being provided that any future initiative will take on board the following aims. First, address comparable in a fairly similar way (**level-playing field**). Second, ensure that online platforms

would behave in a responsible way while respecting the liability regime for intermediary service providers set by the [e-Commerce directive](#). Third, promoting **transparency** and **fairness** to protect **users’ confidence**, which is considered key to the platform economy success. Fourth, set the right conditions for open data-driven markets to flourish. And whenever possible, the Commission intends to refer to existing law and to self or co-regulatory measures. In other words, regulation would come as a last resort.

And it has already started. The first shot was fired on the same day with the presentation of new audio-visual rules

extended to **video-sharing platforms**, added as a new category of stakeholders alongside linear and nonlinear media service providers (Snapshot #8).

A few days later, the Commission also uncovered its [European Agenda](#) for the **collaborative economy**, a non-regulatory and indicative text that brushes up current rules

and proposes a few policy recommendations to Member States.

The Platforms Strategy also announces further scheduled initiatives on which it will have an impact: the copyright package (autumn 2016), an initiative on the free movement of data and their commercialisation (end of 2016) and the ongoing evaluation of consumer law.

Much awaited is also the answer the revision of telecoms rules, to be proposed in September (Snapshot #3), would bring to the issue of **over-the-top players** (Google, Facebook, Amazon, Apple, Skype, etc.) who often provide services comparable to those of traditional communications operators but without being constrained by the same level of rules.



Slovakia's stress test

From July 1st **Slovakia will chair the Council of the European Union during six month for the first time.**

With a today unimaginable 92% of positive answers to its EU adhesion referendum and as the Eurozone member with the fastest growth between 2004 and 2014, **Slovakia used to be one of the good students of the 2004 enlargement promotion.** Since then, its record abstention rate of 87% at the 2014 European elections has revealed a widespread disillusion towards the EU with which the Slovakian government will have to cope.

The Slovakian presidency will also have to face the consequences of the British referendum of June 23rd. But Brexit negotiations are really likely to start overshadowing the Council of Ministers' agenda only from 2017 onwards and **the scope of [Slovakian action](#) remains as framed months ago in the [EU presidency trio programme](#)** designed with the Netherlands and Malta.

With a broad range of issues postponed to after the referendum to coax British voters, there is no more room to further delay hot topics. Especially since Slovakia takes the lead in the middle of the Commission's political cycle, i.e. in **a phase of intense legislative activity.**

Prime Minister Robert Fico expressed strong views about some of the Commission's proposals, in particular the relocation scheme of migrants. However the Slovakian presiden-

cy is expected to act as an "honest broker" as usual.

Slovakia's first priority will be the **EU economic policy.** On the menu: the 2017 EU budget, the [multiannual financial framework](#) mid-term review, the second phase of the European Fund for Strategic Investment, and the building of the [capital markets Union](#). The icing on this ambitious Slovakian cake is the focus on the fiscal pillar of the [economic and monetary Union](#).

Regarding the single market, the Slovaks intend to **foster the energy Union and the digital single market.** Beyond the on-going digital initiatives, they also plan to **make the free movement of data across the EU's internal market the fifth freedom** and to develop **e-mobility for citizens and businesses.**

Also high on the agenda are **sustainable migration and asylum policies.** Slovakia will push the implementation of the [EU border and coast guard proposal](#) and work on an agreement on [smart borders](#). On the latter, pro-enlargement Slovakia remains a strong supporter of the Eastern Partnership but the Brexit will probably slow the pace of the enlargement process.

No doubt that the EU 27 Member States (without the UK) will have a lot to discuss about at the Summit on the EU's future that Slovakia hosts on September 16th in Bratislava.



EU public consultations*

Space	Space Strategy for Europe	12.07.2016
Enterprise	Regulation of professions : proportionality and Member States' National Action Plans	19.08.2016
Consumers	Fitness check of EU consumer and marketing law	02.09.2016
Aviation	Ex-post Evaluation of the Single European Sky Performance and Charging Schemes	04.09.2016
NICTs	Safety of apps and non-embedded software	15.09.2016
Business	Possible revision of the Mutual Recognition Regulation (EC) N° 764/2008	30.09.2016
Internal market	Internal market for goods—Enforcement and compliance	31.10.2016

* For an exhaustive list : <http://ec.europa.eu/yourvoice/>

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