

Press release 21 June 2021

Retailers ask for a safe, trustworthy digital environment for consumers

EuroCommerce has adopted a forward-looking and pragmatic <u>position on the Digital Services Act (DSA)</u>, calling upon the EU institutions to ensure that the DSA creates a safe and trustworthy digital environment for consumers. At the same time, the DSA needs to strike the right balance: ensuring products online are compliant and safe, while not unnecessarily overburdening businesses. EuroCommerce Director-General Christian Verschueren said:

"The European retail and wholesale sector is in the middle of a digital transformation which is fundamentally changing retail and wholesale business models, a trend significantly accelerated by the COVID19 pandemic. An increasing number are, or plan to become, platforms themselves, increasing competition between the different online business models. While policy makers are still talking about online and offline sales, the most successful businesses are seamlessly integrating the online and offline environment into omnichannel, matching consumers expectations and preferences."

One of the main challenges our sector is facing is the lack of a level playing field with third country traders. They often offer non-compliant products to EU consumers, offered for very low prices, making it difficult for European retailers and wholesalers to compete with them.

To remain competitive in a challenging environment, retailers and wholesalers need a framework that gives them legal certainty and incentives to grow and invest in robust omnichannel strategies.



Key recommendations from the position paper

- One framework for online services: EuroCommerce supports one horizontal framework for all online services targeted at EU based consumers.
- **Liability**: Consumers should always be able to exercise their rights, and in conjunction with other EU law, competent authorities should always be able to identify the economic operator in the EU that is responsible for EU product safety law and liable for consumer protection law.
- **Know Your Business Customer**: EuroCommerce supports the Know Your Business Customer principle, but more clarification is needed in Article 22.
- *Transparency obligations*: More transparency is welcome, but we need to ensure legal consistency, that the burden is manageable, that business secrets are respected, and this will really contribute to compliance and trust.
- **Notice & Action**: EuroCommerce supports a strongly harmonised notice & action system across the EU. This will make it easier for cross-border operators.
- Number of active users: The calculating methodology should be part of the DSA and aligned with the DMA.
- **Enforcement**: EuroCommerce supports efficient and effective enforcement, including the introduction of a legal representative and the country of origin, but is concerned about the high turnover-based fines and the proportionality of the Commission's enforcement powers.
- Codes of Conduct: It should be clear that codes of conduct are voluntary instruments.
- Application date: Online marketplaces need at least 12 months to implement all the new DSA requirements.

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Contact:

Neil McMillan - +32 479 40 22 41 - mcmillan@eurocommerce.eu Vincent Yhuello - +32 471 95 03 55 - yhuello@eurocommerce.eu

www.eurocommerce.eu