

Brussels, 10 February 2020

Dear Executive Vice President Vestager,
Dear Commissioner Breton,

Subject: Europe's digital future demands a level playing field

Congratulations on your new positions. We wish you and your teams every success as you begin work.

We write to you today as a group of like-minded MEPs to urge you to seize the opportunity of the new mandate to be bold in your mission to build a Europe fit for the digital age and unlock the full benefits of technology for businesses, and above all consumers, in Europe.

Fundamental to your task will be to tackle the issue of systemic unfair and anti-competitive business practices by certain dominant digital platforms, which are harming innovation and fair competition in Europe. We are particularly concerned about the damage to European consumers, who are faced with lower choice and higher prices online.

Today, access to the global digital economy is controlled by a handful of powerful digital platforms. An estimated 60% of private consumption of digital goods and services is traded via online intermediaries, with over one million EU enterprises relying on these platforms to reach their customers. When platforms play fair, they create commercial opportunities for business and help consumers and citizens find and access innovative services.

However, there is mounting evidence that certain dominant platforms are abusing their power to police market access according to their own commercial interests. This risk of "gatekeeping" becomes acute when a platform holds a dual role as player and referee, and can unfairly tilt the playing field in favour of its own services.

The effect of this behaviour is to stifle fair competition and deprive consumers of the benefits of innovation. When dominant platforms favour their own services, consumers are locked into the ecosystems of certain platforms (such as services on certain devices), do not have the choice of competing services, and are ultimately facing higher prices. This conduct also creates a permanent ceiling on the emergence and success of new businesses, and a bottleneck to European leadership in fields such as artificial intelligence, blockchain, quantum computing and more.

We urge you to address this situation as a matter of priority.

While the Platform-to-Business Regulation 2019/1150 is a first step towards shedding some light on these practices through transparency measures, it does not solve the real problem of systemic unfair or anti-competitive conduct by platforms exercising a gatekeeping role. In this new 5-year term we need to prioritise:

Stronger and faster competition law enforcement, including greater use of interim measures to avoid businesses being driven out of the market by the time investigations are concluded. In that process, competition laws' attention to sound economic and legal principles, designed to advance consumer welfare, must remain strong;

Revised competition rules to take account of platform business models, including new definitions of market dominance and more scrutiny of actors who play the role of intermediaries and act as market bottlenecks, as well as a stronger focus on meaningful behavioural remedies, since fines often represent the cost of doing business;
Ex-ante regulation that tackles systemic unfair practices and anti-competitive behaviours by dominant platforms, particularly “self-preferencing” that excludes or disadvantages rival businesses. It should be well-defined and based on sound evidence, in order to ensure legal certainty and promote innovation.

In your own words, Executive Vice President, “the invisible hand of the market” must be supplemented by “the visible hand” of competition authorities and the legislator. We urge you to show this hand before it is too late.

We stand ready to support these goals in the European Parliament for a vibrant, prosperous and fair digital future for Europe. We look forward to working with you.

Yours truly,

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