



# Online Platforms

## What are online platforms and why are they important

Online platforms are strong drivers of innovation and play an important role in Europe's digital society and economy. They cover a wide range of activities including online marketplaces, social media, creative content outlets, app stores, price comparison websites, platforms for the collaborative economy as well as search engines. They increase consumer choice, improve efficiency and competitiveness of industry and can enhance civil participation in society.

Online platforms share key characteristics, such as the use of information and communication technologies to facilitate interactions between users, collection and use of data about such interactions, and network effects. These network effects make the use of the platforms with most users most valuable to other users.

Today, 1 million EU businesses are already selling goods and services via online platforms, and more than 50% of small and medium enterprises selling through online marketplaces sell cross-border.

The European Commission's approach to online platforms focuses on fostering a trusting, lawful and innovation-driven environment in the EU. To this end, the Commission identified key areas of interest in its [Communication on Online Platforms](http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1466514160026&uri=CELEX%3A52016DC0288) (<http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1466514160026&uri=CELEX%3A52016DC0288>). The guiding policy principles are:

1. to create and maintain a level playing field for comparable digital services;
2. to ensure responsible behaviour of online platforms to protect core values;
3. to foster trust, transparency and ensure fairness on online platforms;
4. to keep markets open and non-discriminatory to foster a data-driven economy.

## The Digital Services Act

The Commission adopted a proposal for a [Digital Services Act \(DSA\)](https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package) (<https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package>) in December 2020. Together with a Digital Markets Act, the DSA will create a safer and more open digital space for all users and ensure a level playing field for businesses.

The DSA has 3 specific goals:

1. To protect consumers and their fundamental rights online more effectively;
2. To establish a powerful transparency and accountability framework for online platforms;
3. To foster innovation, growth and competitiveness within the single market.

## EU Regulation on fairness and transparency in online platform-to-business relationship

The Regulation on online platform-to-business relationships puts in place a harmonised framework for minimum transparency and redress rights. It protects companies that depend on online platforms for reaching consumers, while safeguarding the innovation potential of platforms.

The [EU observatory on the online platform economy](https://digital-strategy.ec.europa.eu/en/policies/eu-observatory-online-platform-economy) (<https://digital-strategy.ec.europa.eu/en/policies/eu-observatory-online-platform-economy>) accompanies the Regulation. It monitors and analyses the latest trends and issues in the online platform economy. As a business on an online platform, you can help identify the main issues by sharing your experiences through a dedicated website.

## Recommendation on measures to effectively tackle illegal content online

The Commission issued a [Recommendation on measures to effectively tackle illegal content online](https://digital-strategy.ec.europa.eu/en/library/commission-recommendation-measures-effectively-tackle-illegal-content-online) (<https://digital-strategy.ec.europa.eu/en/library/commission-recommendation-measures-effectively-tackle-illegal-content-online>) in March 2018. This builds on the [Communication on tackling illegal content online](https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX%3A52017DC0555) (<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX%3A52017DC0555>) of September 2017, translating political commitment into (non-binding) legal form.

## Algorithmic transparency

At the request of the European Parliament, the Commission is carrying out an in-depth analysis of algorithmic transparency and accountability. The [pilot project \(https://digital-strategy.ec.europa.eu/en/funding/call-tender-study-raise-awareness-about-algorithms\)](https://digital-strategy.ec.europa.eu/en/funding/call-tender-study-raise-awareness-about-algorithms) will provide an in-depth study of the role of algorithms in the digital economy and society. In particular, how they shape, filter or personalise information flows.

## Digital labour platforms

Digital labour platforms create opportunities for businesses, workers and self-employed, as well as improved access to services for consumers. However, new ways of work also come with new challenges. It becomes increasingly difficult to correctly classify the employment status of people, leading in some cases to [inadequate labour rights and social protection for some \(https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10120&furtherNews=yes&s=03\)](https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=10120&furtherNews=yes&s=03). In addition, the use of algorithms in platform work can raise questions of accountability and transparency.

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