

PRESS RELEASE: EU leads the way with landmark platform rules

[Brussels, 7 July 2022, contact ines@alliedforstartups.org] We welcome landmark new horizontal legislation for the online economy, the Digital Services Act (DSA) and the Digital Markets Act (DMA), which were approved by the European Parliament on 5 July 2022. While different in scope and effect, both will play an important role in building a strong and comprehensive EU framework for the digital economy. Startups have the opportunity to benefit from this new framework.

Crucially, the DSA maintains the intermediary liability exemption, the Country of Origin principle, the no-monitoring obligation and a broad level of proportionality. These are key attributes of the DSA that will enhance and support European startup ecosystems. Allied for Startups has advocated throughout the legislative process for these elements of the ecosystem to be protected. The DMA introduces obligations for the biggest online platforms and Allied for Startups is hopeful that in doing so, the DMA will improve the landscape for startups in the EU. It is crucial however that startups retain the ability to be acquired by those platforms impacted by the DMA as exits are one of the most important growth and revenue tools for startups.

AFS Director EU Policy Benedikt Blomeyer commented: “AFS supports the hard-won compromises and acknowledges the robust democratic process it stems from. The challenge of regulating new, growing and transforming fields such as technology should come with an open mind about adjusting the laws should the implementation process prove unsuccessful in fulfilling their intended purpose.”

Blomeyer adds: “Now is the moment to turn over a new page and focus on implementation.”

Allied for Startups is a worldwide network of over 40 advocacy organisations focused on improving the policy environment for startups. Our mission is to ensure that the voices of startups are heard in government. For more information on Allied for Startups including a full list of our network, visit the website at www.alliedforstartups.org