



Roadmap for a Clean & Competitive Platform Economy in Europe

by AIM – representing innovative brands manufacturers, creating and investing in Europe

The Digital Services Act is the opportunity to update the digital economy legal framework to encourage all actors to play fairly and to comply with EU standards, to protect consumers and safeguard trust in the digital environment. Creating such a framework of trust is Europe's opportunity to lead in this space in the future.

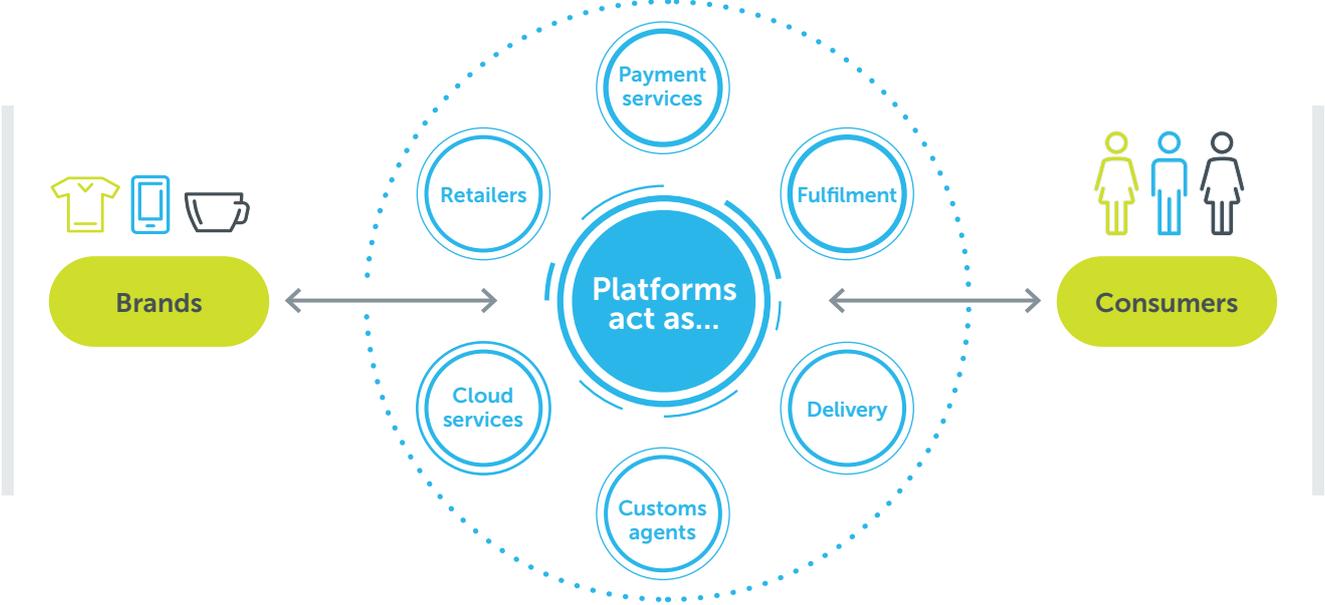
Counterfeit and pirated goods account for:



↑↑ 35% increase in 3 years ↑↑

Ensuring a level playing field across the entire supply chain

All stakeholders have to act in a coordinated and coherent way in order to ensure that illegal goods no longer reach consumers, including via online platforms.



What can the EU do to stop illegal goods from harming consumers



Pro-active screening

Voluntary measures applied by platforms against illegal goods have been proven not to work.

The volume of illegal goods on platforms keeps increasing and too many consumers are exposed to illegal goods.

Platforms should be required to pro-actively screen their systems for the sale of illegal goods including social media and search services. Such pro-active measures should include clear terms and conditions against illegal goods, banning and preventing the known fraudulent practices, banning the use of blurred/cropped/concealed images, the unauthorised use of brand images, and repeating offenders.



Know and verify your sellers

It is too easy to sell illegal goods online. Platforms currently do not verify the identity of sellers, having no way to trace liability in case of consumer or business harm. This is heavily exploited by fraudsters.

Platforms should be required to verify the identity of all sellers. This could be done, for example, by using the national and EU level VAT databases, business registries and various other third party verification systems.

Such measures would enable platforms to better fight against repeat offenders accessing the platform simply by creating new accounts.



Transparency and data sharing on illegal products

Platforms are not transparent about which illegal products are removed and how many illegal goods notices they receive and implement.

Transparency obligations should be implemented to ensure that data is made available to enforcement authorities and brand owners, speeding up the prosecution of the criminal networks behind the sale of illegal goods.



Remove illegal products and inform consumers promptly

Consumers are left unaware of the illegal products they have purchased on platforms.

Although platforms remove the products and inform the sellers that these products have been removed, platforms are the only ones able to know who purchased a good and inform these consumers.

Platforms should have an obligation to inform consumers of the fact that the product they bought has been removed from sale as illegal/counterfeit.



Why address this now?

The European Commission has rightfully pointed to a future which is digital, sustainable and most importantly, places people at the heart of everything we do. The digital world, with all players, needs to embrace this and accept that what is illegal offline should be illegal online. We need a legislative framework which serves a compliance by design purpose. Everyone has a role and responsibility to act now and ensure we have a legitimate and strong digital economy for the future.