



View this email [in your browser](#)



CLIENT UPDATE



NEW EUROPEAN REGULATION ON B2B2C PLATFORMS (e.g. ONLINE MARKETPLACES, APP STORES)

June 4, 2020

You should read this if:

→ You are a **business** who offers services/products to consumers via third party platforms (e.g. Shopify).

→ You operate an **online B2B2C platform** and your customers are businesses who offer products and services to consumers (e.g. located in the European Union).

1. Purpose: the EU wants to prevent unilateral, harmful trading practices by B2B2C platforms and has passed new rules aiming to improve fairness, enhance transparency and provide businesses with remedies. Interestingly, this is the first regulatory attempt in the world focusing on the rights of businesses vis-a-vis platforms.

2. Deadline to comply: platforms should comply by July 12, 2020 (upon which date, protected **businesses will have new rights**).

3. The Regulation in a nutshell: covered platforms must perform the following (and protected businesses have the right to expect the following from platforms):

- **Update T&Cs**, which, amongst other, must be drafted in plain language, be easily available, explain decisions regarding suspension or termination of businesses' accounts, include certain intellectual property related provisions, and not impose

retroactive changes (except when required by law or when the retroactive changes are beneficial for businesses). Non-compliant terms will likely be null and void.

- **Require a reasonable notice period** (and generally no less than 15-days) in case of **modification of the T&Cs**. As a business, you will no longer have to tolerate changes of T&Cs with immediate effect and without notice.

- Establish an internal **system for handling complaints** from businesses, which must be easily accessible and free of charge.

- Provide businesses with the **reasons for restricting or suspending their goods or services**. In case of definitive termination of a business account, the platform must provide the business with a statement of reasons at least 30 days prior to the termination.

- **Elaborate on ranking parameters** and differential treatment between the platforms' own offers and those of businesses. For instance, platforms will have to disclose the main parameters used for the classification/ranking of goods and services on the platform.

- Establish a **data access policy**. Platforms will have to disclose what data they collect and how it will be accessible to businesses. It remains to be seen how platforms will approach this interesting requirement in light of their GDPR obligations (which are not cancelled or modified by this Regulation).

- **Appoint and name mediators** in their T&Cs to voluntarily attempt to settle disputes out of court.

- Provide consumers with the identity of the seller of the goods/services, and warn users that consumer protection rules do not apply when the seller is a private individual.

Platforms should be aware of these new obligations to avoid enforcement actions and businesses should be aware of their new rights. Whether you are a business or a platform, if you have questions, feel free to contact Ignaciog@meitar.com

Contact Information



Mya Joel, Associate
+972-3-6103100
myaj@meitar.com



Ignacio Gonzalez, Partner
+972-3-6103970
ignaciog@meitar.com

For additional information about our firm's Technology and Intellectual Property group, click [here](#).

This memorandum is provided solely for informational and educational purposes and should not be construed as a legal advice.



To join our newsletter click here

Meitar | Law offices
16 Abba Hillel Silver Road, Ramat Gan, 5250608, Israel | +972-3-6103100

[Unsubscribe](#) | [Report spam](#)