



HOTREC welcomes the European Parliament's and Council's reinforcement of the Commission proposal on platform to business relations and suggests further fine-tuning

HOTREC welcomes the improvements, voted today in the European Parliament and in the Council of Ministers on 29 November, to the Commission's Regulation proposal on platform to business relations. HOTREC hopes for a smooth compromise on some open points and for the soon adoption of the Regulation, which will bring more fairness and transparency for European hospitality and other businesses into their relations with the often dominant online platforms.

HOTREC considers it important that some important diverging points between the positions of the European Institutions are further aligned:

- More clarity is needed about the applicability of the Regulation to terms and conditions which at least partly might have been negotiated, as rightly suggested by the Parliament. Such contracts shall be covered in general and not to be left for a decision on a case-by-case basis.
- The Parliament's proposal to increase transparency on the further distribution channels which platforms are using for the marketing of businesses' products should be reflected in the final text, increasing transparency also in that aspect.
- The reference to the better protection of Intellectual Property Rights as proposed by the EP should also be regarded as a step towards better protecting businesses' brands on online market places.
- There shall be more objectivity regarding complaint handling, as proposed by the Council, allowing for a fair treatment of all complaints, without considering their admission based on subjective elements.

"HOTREC considers the direction taken by both the Council and the European Parliament in these days as a major step towards more fairness and transparency in platform to business relations. In the online intermediated hotel booking market 1 platform controls 2/3 of the market, and over 90% with two other players. This dominance has brought unfair practices to the markets, which the current Regulation rightly starts to tackle" said Markus Luthe, Chair of HOTREC's Distribution Task Force.

"HOTREC has been actively raising the awareness of the EU Institutions on the growing dependency of hospitality businesses on online platforms. Today's vote in the European Parliament shows that decision makers are ready to better protect businesses from harmful practices in the Digital Single Market. We encourage the European Parliament, the Council and the Commission to swiftly adopt this Regulation for the benefit of European businesses" concluded Christian de Barrin, CEO of HOTREC.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 1.9 million businesses, being 99,5% small and medium sized enterprises (90% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 11.5 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 44 national associations representing the interest of this industry in 30 different European countries.

For further information: www.hotrec.eu

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