

Brussels, 16 December 2021

European Parliament IMCO vote on the Digital Services Act allows non-compliant products to remain one-click away

The European Parliament's Internal Market and Consumer Protection (IMCO) Committee adopted its position on the Digital Services Act on 14 December.

LightingEurope strongly supported the approach taken by Christel Schaldemose, Member of the European Parliament, in her draft report.

We are extremely disappointed to see that the level of ambition is low and that what is illegal offline will not be illegal online:

- Consumers and customers purchasing products online will still be put at risk by noncompliant products.
- Law-abiding companies that invest in compliance (up to 25% of annual turnover for some of our members) will continue to face unfair competition from the free riders.
- Online free riders will continue not to apply EU rules, knowing that with the EU liability exemption no-one can be held liable for these non-compliant products.

There is no value to EU rules on product safety, sustainability, or quality if they cannot be enforced also online against an economic actor within the EU jurisdiction.

The text as adopted by the IMCO Committee does not address the issue of liability for product compliance when there is no economic operator in the European Union. By not addressing this loophole, the members of the Committee are allowing non-compliant products to remain just one click away.

We urge Members of the European Parliament to table amendments in plenary to ensure that only safe quality compliant products reach the EU Single Market.

The DSA must hold accountable online platforms that facilitate the initiation of transactions between traders and end-users via a strong liability regime.

Such platforms should not be exempt from liability when:

- they are aware of an illegal activity on their interfaces and do not take immediate action;
 or
- they exert a decisive influence on the trader or the transaction; or
- there is no party based in the EU that can be held liable for an illegal activity online on their platform; or
- they do not comply with their own DSA due diligence obligations, such as the knowyour-business customer obligation.

The DSA must also include an effective and unambiguous know-your-business-customer obligations and a stay-down principle for online platforms to avoid the reappearance of removed non-compliant goods.

LightingEurope's technical expertise remains at the disposal of EU lawmakers to help shape a new legal framework that ensures that EU laws are easily and swiftly enforceable online. This will allow EU citizens to access compliant lighting products that benefit human comfort, safety and well-being, and the environment and will foster fair competition and growth for the European industry.

For more details on the LightingEurope recommendations on the DSA, read <u>our position paper</u>.

Full results of the LightingEurope online mystery shopper exercise are available <u>on our website</u>.

Contact

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About LightingEurope

LightingEurope is the voice of the lighting industry, based in Brussels and representing 30 companies and national associations. Together these members account for over 1,000 European companies, a majority of which are small or medium-sized. They represent a total European workforce of over 100,000 people and an annual turnover exceeding 20 billion euro. LightingEurope is committed to promoting efficient lighting that benefits human comfort, safety and wellbeing, and the environment. LightingEurope advocates a positive business and regulatory environment to foster fair competition and growth for the European lighting industry. More information is available at www.lightingeurope.org.

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