

Allegro EU Tech Credo



“Allegro sees the legal framework as an important factor of success and competitiveness of all EU companies. This is why we have been advocating for rules that support EU companies in innovations and in leveraging new technologies to improve our services. It is our job to constantly focus on improving our customers’ and partners’ experience, investments, innovation and employing great talents. At the same time, EU rules can help make the EU a true Digital Single Market that allows companies to operate across countries and ensures that rules established here apply and are enforceable equally to all companies that make business across Europe.”

Francois Nuyts

Allegro CEO

“Allegro presents its EU Tech Credo to feed into the pending EU debates. It is key that EU policies are effectively built on principles such as proportionality, smart regulation, and coherence between the different policy objectives and legal provisions. Rules regulating platforms’ obligations, taxes, innovative payment solutions, the use of artificial intelligence and data should allow us to innovate and develop cutting-edge services without slowing down the processes or creating unjustified costs or administrative burdens.”

Magdalena Piech

Head of Regulatory Affairs at Allegro and Chair of the European Tech Alliance (EUTA) since 2018

1. WHO WE ARE

European success story and a responsible corporate citizen

Born and bred in Poland over 20 years ago, Allegro is a true European success story. We have grown and scaled up into the most popular shopping platform in Poland and one of the largest e-commerce marketplaces in Europe by earning the trust and recognition of our customers and partners. Their needs inspire us to create innovative solutions. Our products and ideas have directly contributed to thousands of jobs, the digital transformation of the Polish economy, and facilitated the development of the vibrant e-commerce sector in Europe. Allegro's ambition is to contribute to Europe's digital transformation by encouraging more people to shop online and more entrepreneurs to digitise their businesses. We fully recognise our responsibilities towards the community we have helped build and belong to – for our customers, merchants and employees, as well as for the climate and the environment. As a tech innovator, Allegro has always aimed at presenting a safe and convenient offer built on trust and respect for privacy, without overcomplicating the necessary processes. Allegro is proud of its role as a platform enabling the digitalisation of local SMEs, as we proved during the pandemic, when the traditional merchant-consumer relationship had to suddenly change.

Enabler for positive digital transformation & inclusiveness

Allegro has been investing in initiatives and programmes that develop conscious, informed, as well as tech-savvy consumers and businesses. The vast majority of SMEs still lack an online presence and their digitalisation is far from complete. Tools such as the [Allegro Academy](#)^[1] help our partners – sellers and buyers to develop their business and learn more about their rights and obligations when shopping online. We treat vulnerable consumer groups with special attention and care, offering them tailored solutions like our Allegro Hotline for Seniors. Digital transformation would have remained merely a buzzword, though, without systematic, bottom-up, and efficient digital upskilling, only accelerated by the outbreak of the COVID-19 pandemic. We strongly believe that investment and effective cooperation between governments, businesses, academia, and civil society will help facilitate the emergence of new technological solutions and promote digital inclusiveness. We need a true digital transformation supported by all in order to meet the EU's ambitions and to promote EU's technological acceleration.



[1] The initiative allowed to train 1 mln merchants and consumers in 2020 free of charge.

Flywheel of e-commerce's green transformation

Our ambition to consistently promote positive change includes better management of our environmental footprint, by greening our business operations along with educating our employees, partners and consumers in this respect. We see Allegro as a platform where our partners can make environmentally sound choices and where they can find ready-made solutions that address climate issues and social needs. In 2020 we introduced our CSR & Sustainability Strategy for 2020-2023, comprising 4 pillars relating customers, merchants, society and employees. In 2021, Allegro started the deployment of an environmentally friendly parcel locker chain powered by renewable energy sources and covered with plants. During the design phase we consulted urban movements, civil society organisations and local government to design a network that meets the local needs and environmental considerations. Ahead of the launch of the One Fulfilment by Allegro project that will strengthen our shipment operations, we are implementing and further developing many sustainable solutions, including eco packaging. Our [ESG Report for 2020](#) sums up our actions under each and every letter of the acronym, setting us up for more development on our side to come.



[2] E.g. in December 2020 the European Commission published the Digital Services Act package: <https://ec.europa.eu/digital-single-market/en/digital-services-act-package>.

[3] A legislative proposal on AI (known as the "AI Act") was proposed on April 21, 2021.

[4] A "Data Act" is expected to be published by the European Commission on December 1, 2021.

2. WHAT DO WE ADVOCATE FOR WHEN IT COMES TO DIGITAL POLICY

A framework that allows to operate, scale and innovate with European values in mind

As the EU is working on an unprecedented number of legislative acts related to the digital economy, it is crucial to ensure that the pieces of the puzzle are assembled correctly. European tech needs flexibility in order to deal with constantly growing consumer and market expectations, as well as new technologies. The EU can build such a framework through establishing its policies on principles such as proportionality, smart regulation and coherence between the different policy objectives and legal provisions. It is key that rules regulating platforms' obligations[2], taxes, innovative payment solutions, the use of Artificial Intelligence[3] and data[4] allow us to innovate and develop cutting-edge services without slowing down the processes or creating unjustified costs or administrative burdens. Otherwise we will end up with a framework that inadvertently creates barriers for new players, scaling-up conditions in Europe, and impedes us to compete globally. Clarity, fairness, and predictability of EU legislation are key for upholding competitiveness as well as the innovation drive among EU tech companies, not only Allegro.

The right competitive landscape in Europe needs to be ensured

Competition is the catalyst for innovation, ultimately benefiting consumers when it's fair and based on equal terms. Allegro, like other European champions, contributes to local economies, complies with local rules and faces scrutiny from national authorities. By understanding the local flavor, Allegro has supported local economic growth with an ever widening offer meant to ensure a safe and convenient shopping experience for both customers and merchants on the market it operates on. However, we couldn't stress it more vividly that, in order to maintain the innovative drive of the tech sector not only in Poland but across Europe, we need effective solutions to address pan-European and global challenges such as the power of gatekeepers, unfair taxation, lack of level playing field and lack of enforceability of EU legal provisions towards third country players. These solutions are still missing. This is why Allegro supports initiatives that seek to put global tech giants on equal footing with local players. This applies to the ambition of ensuring scrutiny and empowering authorities to set limits to unfair gatekeeper business practices, as well as practices that - given the gatekeeper status and scale of operations - may create perverse effects. It is also key when it comes to regulations related to taxation, data, AI or platforms' liability.

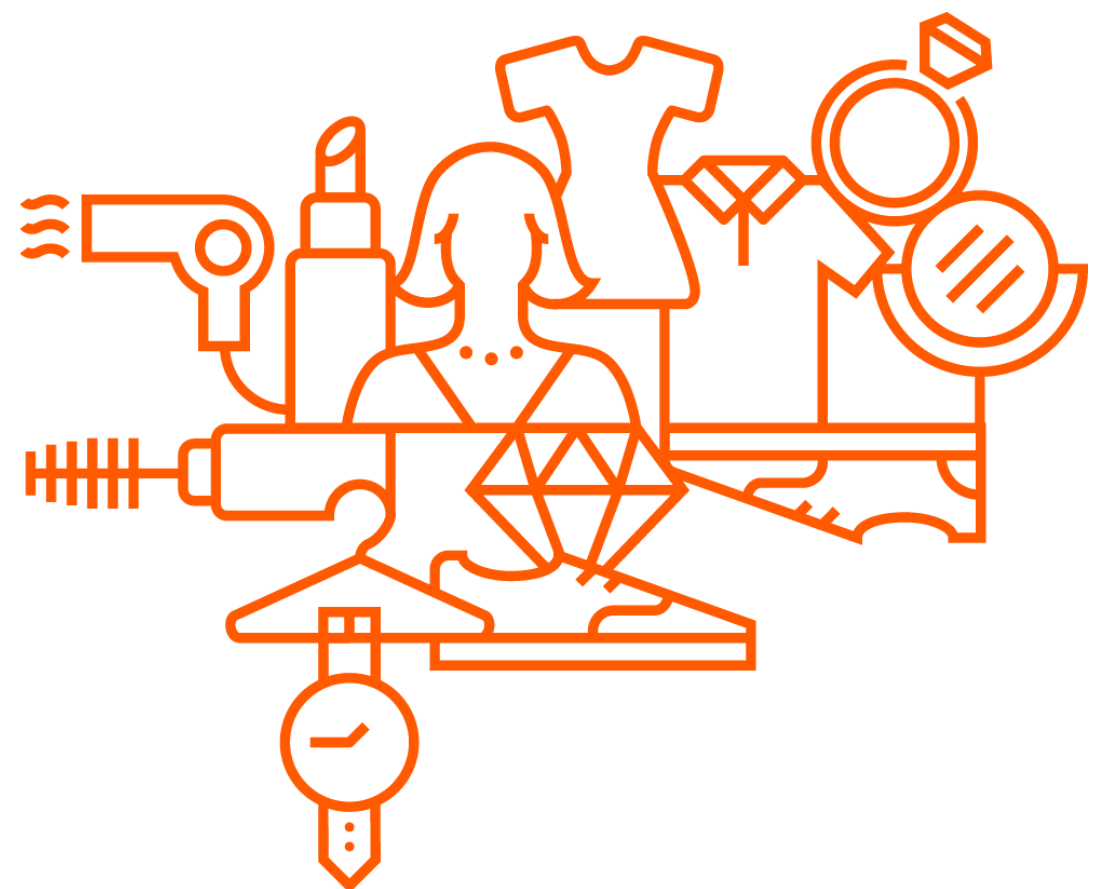
Harmonised rules, interpretation, application and enforcement are essential for the Digital Single Market

Given the global dimension of the digital market and its borderless nature, we believe that all new proposals should be equipped with sound mechanisms that allow the EC to take prompt actions that capture the EU dimension of existing challenges and avoid market fragmentation, while engaging national authorities in the process.

In order to build a truly unified Digital Single Market and complete market harmonisation, uniform interpretations and applications of EU rules across all Member States are necessary. This is why we see pan-European bodies as important standard-setters and opt for close cooperation with and between national authorities.

Europe should remain an open market but freeriding should not be allowed

The current EU legislative framework still has loopholes that allow some players to circumvent or neglect rules that apply in Europe, be it via tax avoidance, abuse of consumer rights or product safety rules, data protection and platform regulation rules. Recent legislative proposals rightly address all services targeting EU clients, regardless of their place of establishment^[5], requiring legal presence in the EU. Unless we strengthen enforcement of rules and equip public authorities with adequate resources and tools, allowing them to eliminate bad practices, the foundations of the Digital Single Market will be undermined. This is an important element that - if rightly addressed - will help reconcile the borderless digital economy with the need to make the EU's Digital Single Market truly safe for EU consumers as well as competitive for European tech companies.



[5] E.g. see Art.11 of the Digital Services Act proposal.