NOTE

The developments on the Digital Services Act Extracted from EASA bulletin September 2021

Almost 2300 Amendments were tabled on the draft Digital Services Act (DSA) in the European Parliament's lead Committee (IMCO).

The draft Digital Services Act (DSA), presented by the Commission in December 2020, is looking to update the legislative framework governing digital services and impact certain advertising elements, such as transparency. It is now being discussed in the European Parliament's Committees and the Council's Working Party on Competitiveness (Internal Market). The lead parliamentary Committee (IMCO) has published its <u>draft report</u> in May and <u>draft amendments</u> in July.

A variety of draft amendments from a broad range of the political spectrum (the left, S&D and the Greens, but also some liberals and centre-right MEPs) are calling for limitations of targeted advertising. These proposed restrictions are different in nature, either through users opt-out, opt-in, the prohibition of targeted ad to children, or a ban on targeted ad based on personal data. Member States, however, appear in their majority not favourable to such a ban. In addition, other draft amendments propose to regulate more tightly the establishment and participation to Codes of Conducts (Art. 35 and 36). So far, EASA's call to make a clear distinction between commercial and non-commercial advertising in the definition of advertising has not been heard by policymakers. The consideration of Amendments by the lead Committee is expected to take place on 27 September and the vote in Committee on 8 November, whereas the plenary vote is planned for December.

On the Council's side, a few internal documents have recently been leaked to the press (some of which are available here). The available data shows no appetite from Member States to ban targeted advertising. With respect to Article 24 on online advertising transparency, an extension of its scope to cover influencer marketing is being discussed.

EASA has updated its position paper on the draft DSA, in order to take into account the draft amendments. The revised paper was shared with EASA's members and approved by them. It will now be circulated it to the relevant policymakers. Furthermore, building on the content of its position paper, EASA is currently drafting alternative wording and amendments to policymakers, to be soon circulated to EASA's members.

