## EU Digital Services Act: 101

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### Key Changes the DSA Will Bring

- **Transparency Measures:** New rules applicable to targeted online advertising, requiring transparency in how data is collected and used.
- **User Choice:** Users will have the option to opt-out of personalized advertising.
- **Risk Management:** Companies will need to implement risk management obligations to prevent illegal content from spreading online.
- **Redress Mechanism:** Establishing a complaint and redress mechanism for users to report violations of the law.

### Purpose of the DSA

The Digital Services Act aims to harmonize conditions for the provision of intermediary services across the European Union. Among others, it creates new procedures for faster removal of illegal content; transparency measures, including on online advertising and on algorithms used to recommend content to users; and comprehensive protection for users’ fundamental rights online.

### Organizations Within Scope

- **Intermediary Services:** Internet access providers, domain name registrars.
- **Hosting Services:** Cloud and webhosting services.
- **Online Platforms:** Online marketplaces, app stores, social networks.
- **Very Large Online Platforms:** Platforms reaching more than 10% of EU consumers.

### Key Requirements

- **Intermediary Services (IS):** Transparency reporting. Requirements on terms of service due account of fundamental rights. Cooperation with national authorities following orders. Points of contact and, where necessary, legal representative.
- **Hosting Services (HS):** Notice and action obligation to provide information to users. Reporting criminal of ens.
- **Very Large Online Platforms (VLOP):** All intermediary services and hosting services plus: Complaint and redress mechanism and out of court dispute setlement. Trusted flaggers. Measures against abusive notices and counter-notices. Special obligations for marketplaces, e.g., vetting credentials of third-party suppliers (“KYC”). Compliance by design, random checks. Bans on targeted advertising to children and those based on special characteristics of users. Transparency of recommender systems. User-facing transparency of online advertising.

### Enforcement and Penalties

- **IS:** Fine for a failure to comply: 6% of the annual worldwide turnover of the provider of intermediary services concerned in the preceding financial year.
- **HS:** Fine for supply of incorrect, incomplete or misleading information, failure to reply or rectify, failure to submit to an inspection: 1% of the annual income or worldwide turnover.
- **VLOP:** In case of a noncompliance decision concerning a provider of very large online platform or very large online search engine, the commission can impose a fine up to 6% of the total worldwide annual turnover and daily penalty payments not exceeding 5% of the average daily income or worldwide annual turnover.

### Resources

- **EU Digital Services Act published in OF Cial Journal of Official Union.**
- **EU Data Initiatives in Context.**
- **Political agreement reached on Digital Services Act.**
- **The EU’s DMA and DSA: Why this should be of interest to privacy pros.**
- **A deep from Brussels: EU DSA: DGA, DMA: What the rubber meets the road (IAPP Video).**

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