# <u>Press release - Digital: The EU must</u> <u>set the standards for regulating</u> <u>online platforms, say MEPs</u>



MEPs approved tonight two separate <u>"legislative initiative"</u> reports calling on the Commission to address and tackle current shortcomings in the online environment in its Digital Services Act (DSA) package, due to be presented in December.

The current EU rules for digital services have remained largely unchanged since the e-commerce directive was adopted twenty years ago. With the upcoming package, the European Union aims to shape the digital economy at EU level as well as setting the standards for the rest of the world, as it did with data protection.

## Stronger rules to tackle illegal content online

All digital service providers established in third countries must adhere to the DSA's rules when their services are also aimed at consumers or users in the EU, MEPs say.

A binding "notice-and-action" mechanism must be set up so that users can notify online intermediaries about potentially illegal online content or activities. This would help online intermediaries to react quickly and be more transparent regarding the actions they have taken on potentially illegal content. Users should be able to seek redress through a national dispute

settlement body.

Parliament calls for a strict distinction to be made between illegal content and harmful content (the legal liability regime should concern "illegal content" only as defined in EU or national law).

Platforms should not use upload filters or any form of *ex-ante* content control for harmful or illegal content. The final decision on whether content is legal or not should instead be taken by an independent judiciary and not by private undertakings, say MEPs.

Harmful content, hate speech and disinformation should be dealt with through enhanced transparency obligations and by helping citizens to acquire media and digital literacy regarding the dissemination of such content.

#### A safer internet for consumers

The principle of "what is illegal offline is also illegal online", as well as consumer protection and user safety, should become the future DSA's "guiding principles", says Parliament.

Platforms and online intermediation services will need to get better at detecting and taking down false claims and tackling rogue traders, e.g. those selling false medical equipment or dangerous products online, as happened during the COVID-19 outbreak.

MEPs also call for a new "Know Your Business Customer" principle to be introduced, requiring platforms to check and stop fraudulent companies using their services to sell their illegal and unsafe products and content.

Specific rules to prevent (instead of merely remedy) market failures caused by big platforms must also be tabled to open up markets to new entrants, including SMEs and start-ups, MEPs add. More information on the Internal Market Committee's demands, backed by plenary with 571 votes to 26, with 94 abstentions, here and here.

### Making users less dependent on algorithms

MEPs want to provide users with more control over what they see online, including being able to opt out of content curation altogether, and to make them less dependent on algorithms. Targeted advertising must be regulated more strictly in favour of less intrusive, contextualised forms of advertising that require less data and do not depend on previous user interaction with content. MEPs also call on the Commission to further assess options for regulating targeted advertising, including a phase-out leading to a ban.

The upcoming DSA should also provide for the right to use digital services anonymously whenever possible. Finally, to ensure compliance with the new rules, the Commission should assess options for setting up a European entity to monitor and impose fines. For more details on the Legal Affairs Committee demands approved with 637 votes to 26, with 28 abstentions, here and here.

## Fundamental rights online

A third, non-legislative resolution by the <u>Civil Liberties Committee</u>, approved by 566 votes to 45, with 80 abstentions, focuses on fundamental rights issues. It calls for content removal to be "diligent, proportionate and non-discriminatory" to safeguard freedom of expression and information, as well as privacy and data protection. MEPs also point out that microtargeting based on people's vulnerabilities is problematic, as is the spreading of hate speech and disinformation, asking for transparency on the monetisation policies of online platforms.

Internal Market and Consumer Protection Committee rapporteur: <u>Alex Agius Saliba (S&D, MT)</u>

Legal Affairs Committee rapporteur: <u>Tiemo Wölken (S&D, DE)</u>

Civil Liberties Committee rapporteur: <a href="Kris Peeters">Kris Peeters</a> (EPP, BE)