Joint letter from European industry players:

Achieving a fair, effective and future-proof Digital Services Act

Dear co-legislators,

Our trade organisations represent hundreds of online platforms and other digitally-focused companies who provide services to business and consumers right across Europe.

We welcome the significant progress that co-legislators achieved on the Digital Services Act (DSA) so far. It is a testament to the commitment, dedication and hard work of policymakers that we are on the brink of achieving a final agreement for the most significant update to Europe’s digital rules in over two decades.

We believe the DSA is an opportunity to create an updated regulatory framework that takes account of the rapid progress made in the digital economy, while allowing Europe to continue to be at the forefront of digital innovation.

However, as the EU institutions enter the final phase of negotiations, we urge policymakers to be mindful of the Commission’s original intention to create a horizontal piece of legislation with a clear scope that would serve as the framework for the Digital Economy for many years to come.

Our members remain concerned with some additions to the original proposal made during the legislative process so far and we urge policymakers to consider the following:

- Ensure the DSA remains flexible and future-proof to enable rapid innovation and change the digital economy. The DSA should create a framework of obligations that are clear and technologically neutral. Policymakers should ensure these obligations leave little room for interpretation to ensure legal certainty, but at the same time reaffirm the principles of country of origin, limited liability regime and no general monitoring, as the backbones of Europe’s platform economy, whilst also
providing greater legal clarity in support of platforms looking to go above and beyond to ensure the safety of their users via proactive actions.

- Strike a balance between consumer protection and innovation. Certain user redress requirements would leave users flooded with notifications and make content moderation unscalable and prone to abuse.

- Similarly, refrain from stifling online marketplaces and impact the ability of European SMEs to benefit from these services. Online marketplaces shall only be liable for what they can reasonably verify.

- Protect the data of businesses and users and ensure that the final DSA is aligned with the large body of existing EU law such as the GDPR and e-Evidence Package. Including safeguards for access to user data by competent authorities and researchers remains necessary.

- Maintain the horizontal character of the DSA by addressing some issues, such as political advertising and product safety, with a more appropriate, vertical legislation.

- Consider the special nature of online search engines. Their classification, and the due diligence obligations to which they may be subject, should be carefully tailored to ensure that information quality in Europe is not upended and rights to receive and impart information are effectively protected.

- Recognise the value of targeted advertising. For companies and entrepreneurs, especially SMEs, the ability to effectively reach existing and new consumers and stimulate further growth is essential. Moreover, targeted advertising holds benefits for a much broader group of stakeholders, including consumers.

- Finally, we would caution policymakers against expanding provisions applicable to consumer platforms to all types of intermediaries and hosting services, which could negatively impact Europe’s ability to build strong capabilities in areas such as cloud computing.

We believe that by acting on these considerations during negotiations, policymakers can achieve a fair, workable and effective compromise on the DSA that will secure a vibrant and innovative digital economy for Europe for decades to come.