

Council of the European Union General Secretariat

Interinstitutional files: 2020/0361 (COD) Brussels, 10 May 2021

WK 6219/2021 INIT

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WORKING PAPER

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MEETING DOCUMENT

From: To:	European Commission Working Party on Competitiveness and Growth (Internal Market - Attachés) Working Party on Competitiveness and Growth (Internal Market)
Subject:	Presentation from the Commission: Digital Services Act - Addressing Disinformation and the Digital Services Act



DIGITAL SERVICES

ACT

Addressing Disinformation and the Digital Services Act

Risk based approach to disinformation

Distinct approach from measures for illegal content, which is clearly defined as such under national or union law

9 For risks beyond illegal content, DSA takes a <u>systems</u> and not a <u>content</u> approach



Focus on where the harm is greatest

Sufficiently open and flexible to address emerging risks



Russian-Backed Facebook Accounts Staged Events Around Divisive Issues The Facebook loophole

Facebook Stopped Employees From Reading An Internal Report About Its Role In The Insurrection.

How Facebook let fake engagement distort global politics: a whistleblower's account

Early <u>focus on individual violations</u> made us <u>miss the **harm in the broader**</u> **network**.

TikTok Played a Key Role in MAGA Radicalization

The platform's absorbing endless scroll and karaoke features have built an overlooked disinformation machine.

Key elements in the DSA addressing disinformation



Co-regulatory mechanism allowing for flexible and detailed commitments in response to changing and evolving risks, such as disinformation



Binding and enforceable obligations where the harm is systemic, given the reach of the very large online platforms



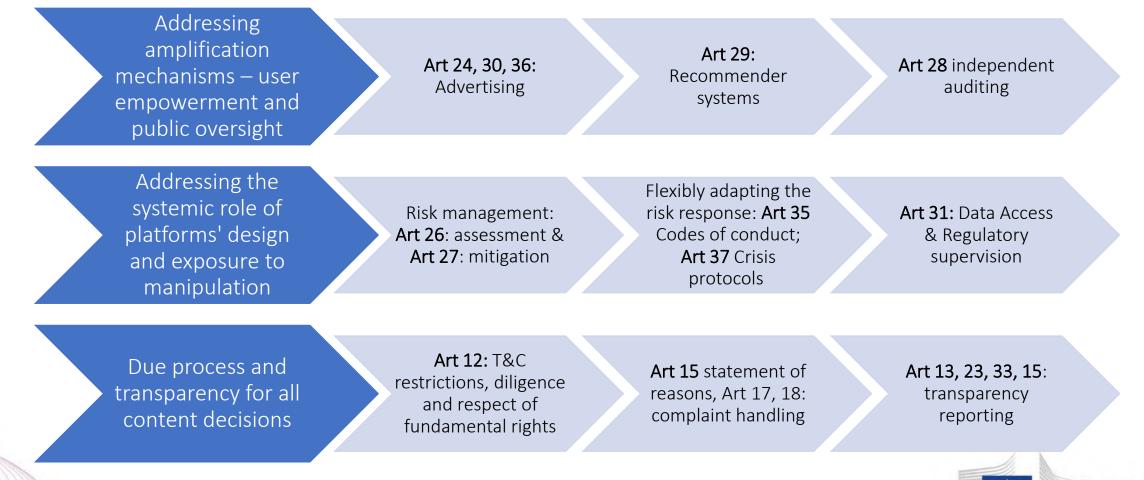
User empowerment



Obliging a diligent approach, **transparency and safeguards** where platforms already take action to tackle these harms under their terms of service



Addressing emerging risks: overview of relevant obligations





Co-regulatory approach (Art 35, 36, 37)

- Co-regulatory approach defines certain objectives and minimum criteria, but leaves it to parties in the relevant field to design the measures to fulfil these criteria.
- Designed to ensure multi-stakeholder involvement, including smaller platforms
- Recital 68 emphasises that Codes of Conducts should be considered for:
 - Systemic risks, such as disinformation or manipulative or abusive activities.
 - Fake or misleading information with the purpose of economic gain.



Codes of Conduct



- Commission and Board to encourage and facilitate the drawing up of Codes of Conduct
- Contribute to proper application of DSA
- Tackling illegal content and systemic risks

Significant systemic risks (Art 26(1) Several VLOPs concerned Commission to invite very large online platforms concerned and other parties,

Very large online platforms

(Art 35(2))

platforms concerned **and** other parties as appropriate to draw up codes of conduct.



Codes of Conduct: objectives, criteria and monitoring

Measures in the Code:

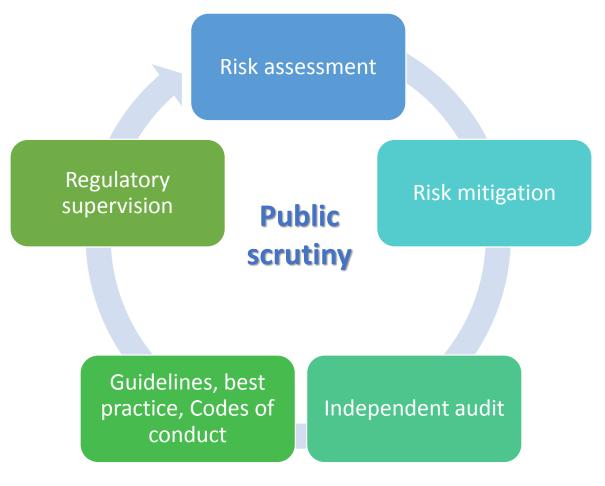
- ✓ Clear objectives
- ✓ Measurable Key Performance Indicators (KPIs)
- ✓ Take due account of interests of all parties
- ✓ Regular reporting to the Commission and DSC of establishment

- The Commission and the Board will assess if the Codes of Conduct meet the aims specified and shall regularly monitor and evaluate the achievement of their objectives, including by having regard to the KPIs.
- Conclusions will be published.





Binding risk management obligations on very large online platforms





Risk based obligations

 Illegal content

- Fundamental rights e.g. freedom of expression, unjustified discrimination
- Intentional manipulation of their service (public health, electoral processes, protection of minors, etc.)

Mitigation of risks: Art 27

Risk

assessment

(yearly)

Art 26

- Obligation of means to adapt services, terms and conditions, algorithmic systems...
- Prevent advertising income to infringers
- Adapt content moderation and recommender systems
- Codes of conduct



Addressing amplification & user empowerment

Advertising transpareny Art 24	 Ensure that users can identify in real time when seeing an ad: That the information is an advertisement The advertiser Why the ad is displayed for them: main parameters used to determine the second second	ermine this.
Ad repositories Art 30	 Publicly available repository including for all ads displayed on the positive of the advertisement & advertiser Period during which the ad was displayed Whether it was a targeted ad & targeting criteria Total number of users reached & aggregate data on delivery 	olatform
Recommender systems Art 29	 Main parameters in ToS Include an option for users which is not based on profiling 	

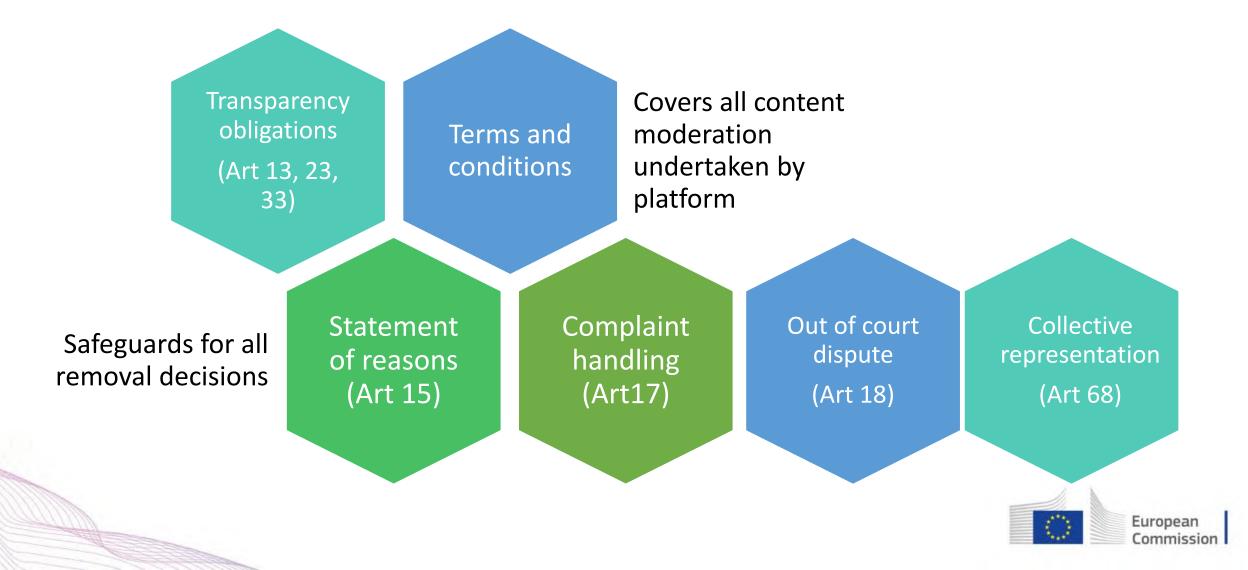
European Commission

Accountability and enforcement

Independent audit Art 28	 Annual independent audit covering compliance with all obligations and Codes of conduct
Data access and scrutiny Art 31	 Digital Services Coordinators/COM To vetted researchers at the request of the Digital Services Coordinator
Enforcement Chp IV	 All VLOP obligations subject to enforcement Where VLOP participates in Codes of Conduct to comply with Article 27, those measures are also subject to the enforcement provisions in Chapter IV.



Due process & transparency



Reserve slides

Relevant obligations on very large online platforms

Risk assessment, mitigation and scrutiny

- Commission may invite very large online platforms to take part in Codes of Conduct (Article 35) to address specific risks
- Mitigating measures (Article 27) may include participation in Codes of Conducts
- Independent audit (Article 28) to assess the commitments taken under the Codes of Conduct
- The Commission and board will assess and monitor the Codes of Conducts





Strong co-regulatory approach for very large online platforms

Regulatory supervision

- The Commission and the Board will assess if the Codes of Conduct and Crisis Protocols meet the aims specified (Article 35, 36, 37)
- Refusal to participate in a Code of Conduct following Commissions invitation, without proper explanation, could be taken into account when determining infringements (Recital 68)
- Where the provider chooses to participate in Codes of Conduct to comply with Article 27, those measures are subject to the enforcement provisions in Chapter IV.
- Where there is an infringement of the obligations, the Digital Services Coordinator shall request the VLOP to draw up an action plan (Article 50), the platform may choose to comply via a participation in a code of conduct in Article 35





Transparency around advertising

Ad Ad Ad
Comprehensive ad repository

Article 24

Ensure that users can identify **in real time** when seeing an ad:

- 1. That the information is an advertisement
- 2. The advertiser
- 3. Why the ad is displayed for them: main parameters used to determine this.

Article 30

- Publicly available **repository** including for all ads displayed on the platform, including at least:
 - The advertisement & advertiser
 - Period during which the ad was displayed
 - Whether it was a targeted ad & targeting criteria
 - Total number of users reached & aggregate data on delivery

Key elements of the crisis protocols

the **specific parameters** to determine what constitutes the **specific extraordinary circumstance** the crisis protocol seeks to address and the objectives it pursues;

the role of each participant and the measures they are to put in place in preparation and once the crisis protocol has been activated;

) a clear procedure for determining when the crisis protocol is to be activated;

a clear procedure for determining the **period during which the measures to be taken once the crisis protocol has been activated are to be taken**, which is strictly limited to what is necessary for addressing the specific extraordinary circumstances concerned;

safeguards to address any negative effects on the exercise of the fundamental rights enshrined in the Charter, in particular the freedom of expression and information and the right to non-discrimination;

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a process to **publicly report** on any measures taken, their duration and their outcomes, upon the termination of the crisis situation.



Participants and measures in Crisis Protocols

- The Board may recommend the Commission to initiate the drawing up of Crisis Protocols
- Very large online platforms are encouraged to participate (recital 71)
- Involving, as appropriate, MS authorities and Union bodies, offices and agencies as well as civil society organisations
- Where the Commission considers the Protocol fails to address the situation or does not protect fundamental rights, it may request a revision of the Protocol.





Article 37 – Crisis Protocols



- Strictly limited to addressing extraordinary circumstances affecting public security or public health:
 - Unforeseeable events such as earthquakes, hurricanes, pandemics, war and acts of terrorism which constitute serious threats
 - Where online platforms may be misused for the rapid spread of illegal content or disinformation
 - Where the need arises for rapid dissemination of reliable information
- No general monitoring or active fact seeking obligation.

