

EDIMA feedback – Consultation on IIA/Roadmap Digital Services Act: deepening the internal market and clarifying responsibilities for digital services

<u>EDIMA</u> welcomes the opportunity to provide feedback to the Commission on this IIA. Given our role at the heart of the digital economy, EDIMA and its wide variety of members can offer first-hand insight into the evolving nature of technology and EU citizens' relation to it. We are eager to use our shared experience to be a constructive driver of the DSA discussions.

As highlighted in the IIA, we agree that to date the e-Commerce Directive (eCD) has been the foundational cornerstone for regulating digital services in the EU, driving innovation in the Internal Market and protecting fundamental rights. We would stress that key principles of the eCD such as the Country of Origin principle, the limited liability regime and the prohibition on general monitoring are still relevant and necessary for these aims today. Over the years we have seen that these principles have evolved with digital services and have provided a robust framework for the EU Digital Single Market. The DSA presents a real opportunity to build on this success and develop a framework for the online ecosystem which provides legal certainty for all stakeholders, to better address illegal content and activity online while continuing to build on the benefits of digital transformation.

The IIA broadly summarises the challenges and opportunities we face, and we agree with the Commission's goals of proposing a DSA to reinforce the Internal Market for digital services, to lay down clearer and harmonised rules for service providers' responsibilities, while ensuring the protection of fundamental rights and promoting innovation, growth and competitiveness. We would add that a broader view of the online ecosystem should be taken when considering these aims. The issues we encounter online do not occur in a vacuum - the ecosystem is made up of a complex chain of actors comprising of service providers, users, governments, regulators, law enforcement, rightholders, media, etc. Coordination and enforcement offline are also an important part of this equation. Each stakeholder has a role to play, and the rights and responsibilities addressed in the DSA should reflect this.

On the problems the initiative will aim to tackle, we agree that there is a need for greater cross-border cooperation. On the risks for citizens online and the protection of fundamental rights, we would stress that legal safeguards are needed to ensure that service providers which voluntarily put in place systems to curb the spread of illegal content/activity online do not face an automatic loss of their limited liability protections under the eCD. Focusing the scope of the DSA (at least initially) on illegal content and activity will help to avoid infringing on fundamental rights. EDiMA also agrees that the DSA could benefit from some EU coordination or oversight. Both consistency and coherence of decisions are needed to avoid regulatory overlap, particularly when considering how many cross-border services are exposed to different regulatory regimes.

As to the policy options outlined, all clearly indicate to varying degrees how they would make changes which could be worked into the existing eCD regime, while taking account of the challenges which have recently emerged, the different technical and policy tools available, and the balance of rights to be found. We would add that this work should be guided by a strong evidence-based approach, ensuring clarity and proportionality, and we again stress the need to consider the full spectrum of stakeholders when considering these policy options. We look forward to engaging with the Commission in greater detail on these ideas.

Finally, there is still a risk that the DSA could attempt to tackle too many issues at once, and unintentionally hamper the roll out of effective solutions. We would stress the importance of building on legal definitions, and avoid focusing too early on issues that are not immediately relevant to improving the <u>framework for responsibility online</u>.