

Digital Services Act: What does it mean for independent producers?

What is the DSA?

The <u>Regulation for a Digital Services Act</u> (DSA) is a new legislative proposal from the European Commission published in December 2020.

The DSA means to review the 20 years old eCommerce directive, especially set up new rules:

- The liability of platform regarding illegal content, including copyright infringing content
- the Notice and Action Mechanism
- New transparency obligations for online platforms
- recognition of trusted flaggers and rules for the vetting of credentials of thirdparty suppliers
- additional reporting and data access obligations for very large online platform

Why is the DSA important for independent producers?

- 1. The DSA clarifies the liability of platform regarding copyright infringing content uploaded on them
- 2. It provides the opportunity to develop and strengthen a set of legal tools for rightsholders fight piracy and copyright infringement on online platform
- 3. Being a Regulation, it provides harmonized rules across the European Union thus facilitating the work of rightsholders across countries
- 4. DSA has a broader scope that the copyright directive, and tackles all illegal content



Where are we in the legislative process?

The Commission's proposal has been sent in December 2020 to the European Parliament and the Council.

The 2 co-legislators are currently developing their respective positions.

European

CEPI's latest position papers

- <u>Statement</u> (16/12/20)
- First position paper (02/11/20)
- CEPI Answers public consultation (08/20)



1st reading



Who does the DSA apply to?

The DSA distinguishes between four different types of online services, from the least to the most impactful, each with <u>cumulative</u> additional obligations:

Intermediary services

Hosting services

- Cloud service
- Web & mail hosting

Online Platforms

- Market places
- Social media (media sharing, social network, social review...)
- Streaming platforms
- App stores
- Collaborative economy

Very Large Online Platforms

 Any online platform servicing at least a monthly average of 45 million active recipients

Obligations for Intermediary services

- Transparency reporting
- Point of contact and legal representatives

ADDITIONAL obligations for Hosting services

- Notice and action mechanism
- Information to users

ADDITIONAL obligations for Online platforms

- Complaint and redress mechanism
- Trusted flaggers
- Measures against abusive notice and counter notices
- Traceability of business users
- Advertising transparency

ADDITIONAL obligations for Very Large Online Platforms

- Risk management obligation
- Compliance officer
- External risk audit
- Public accountability
- Transparency of recommender system
- Data sharing
- Codes of conduct

What are independent producers' concerns and CEPI's priorities with the DSA?:

- Ensuring that the DSA does not undermine the copyright directive but properly complement it.
- Definition of platform make sure it captures the right actors.
- Ensuring that platforms cannot benefit from loopholes in the DSA to avoid liability.
- Notice and action mechanism: making sure that the rules to fight against illegal content are effective and not burdensome for producers.
- Ensuring that Trusted flaggers is a meangful tool to support rightholders in their fight against illegal content.
- Ensuring that content taken down stay downs.
- Calling for stronger consequecnes for repeating infringers.
- Facilitating the identification of infringers by requesting platforms to obtain information about their business users (know your business customers)