

ADVANCED ADVERTISING TRANSPARENCY PROGRAMME

# APPLICATION OF EDAA PROGRAMME PRINCIPLES TO THE DIGITAL SERVICES ACT





### **Context**

The European Union's Digital Services Act (DSA) imposes new obligations on Online Platforms with regard to enhanced ad transparency to online consumers located in the EU. EDAA closely tracks regulatory developments with the objective of supporting participant companies and other digital advertising stakeholders in meeting these obligations.

# **Positioning**

EDAA is well-positioned to bring forward a joint industry solution towards ad transparency under the Digital Services Act. While the set of <u>foundational principles</u> (transparency, choice and control, consumer education, etc.) that have informed EDAA's work to the current stage remain valid, the Advanced Advertising Transparency Programme refines their alignment to the DSA in order to more effectively serve participant companies in this emerging legislative environment. The Principles outlined below constitute the foundational values upon which EDAA establishes the Advanced Advertising Transparency Programme (AATP): a harmonised industry response to DSA-level ad transparency requirements.

# **Purpose**

EDAA is expanding its Programme to provide a solution which enables participant companies to align with the new regulatory requirements on advertising transparency through the use of a tailored set of tools and resources, whilst ensuring that these new rules are strengthened by credible accountability, complaint and query handling, and enforcement. Participant companies which are involved in digital advertising – but not directly subject to the DSA provisions – may also find value in adopting this new standard providing enhanced information towards consumers.

As this new initiative is rolled out, EDAA remains engaged with key European and Member State-level regulators to understand their expectations of such a Programme. Designed as a wider best practice approach applicable across the advertising value chain, this industry-led initiative aims to create harmonised practices for the benefit of all key stakeholders by reducing fragmentation in the market and delivering an improved user-experience as well as increased business-awareness and responsibility in relation to the DSA.

The Programme may potentially serve as the basis for a future formalised Code of Conduct, or voluntary Standard, under the provisions of the DSA - this shall be assessed in the mid-term (with Codes of Conduct for the DSA being a lengthy process and envisaged by the regulators as applicable at the earliest from 2025).

Through their participation in the EDAA Programme, participant companies commit to upholding the following principles.

<u>Note</u>: Any subsequent mention of the word "Online Platform" / "Online Platforms" refers to the definition provided by DSA Art. 3.



# **Principle 1 - Collaboration**

EDAA promotes principles for an inclusive, cohesive, cross-industry ecosystem that functions correctly and credibly.

The AATP covers all advertising on Online Platforms' various interfaces. To enable this across the multiple use cases and complexity of the online advertising ecosystem, EDAA's AATP provides guidance to all entities involved in digital advertising from creation to delivery (e.g. Online Platforms, Non-Platform Advertising Services, Agencies and Advertisers), to the extent that these parties play a role in determining, transferring and displaying the DSA-related transparency information behind a campaign and/or given ad delivery.

These parties are expected to **collaborate** in order to ensure an adequate response of those Online Platforms who are in direct scope of the DSA to the heightened transparency requirements, as well as to align with the DSA's stated objective of providing consumers with a predictable and trusted online environment.

# **Principle 2 - Meaningful transparency**

Through the use of prominent markings and accompanying information to consumers, all digital advertisements shall feature an **ad disclosure**. This is achieved through the industry-recognised AdChoices Icon. Where Online Platforms require additional flexibility due to the nature of their digital property's interface, an alternative ad disclosure may be displayed, provided that it fulfils the context of meaningful transparency as specified in the accompanying guidance.

All ads should be clearly understood by consumers as having been **paid for by an advertiser** or having been **displayed for promotional purposes.** 

# **Principle 3 - Effective consumer choice and control**

Participant companies shall provide meaningful transparency to consumers along with, where applicable, **effective mechanisms for choice and control**. This shall be done through company-specific measures and/or complementary industry frameworks and tools, including, for instance, www.youronlinechoices.eu, that are user-friendly, accessible and intuitive.

In addition, companies shall undertake the necessary efforts within the Programme to make available a **user-facing consumer education portal** hosted by EDAA at *youronlinechoices.eu*.

# **Principle 4 - Independent Certification**



Companies shall undergo **independent certification** (with an EDAA-registered "Certification Provider") in order to demonstrate their compliance with the Programme. Existing EDAA-related independent compliance checks shall be adapted to these principles.

To facilitate a streamlined accountability process, self-certification is not a prerequisite for any company to submit to an independent check of compliance. In line with the broader compliance requirements of the EDAA Programme, participating companies will have six months to complete independent compliance checks.

Operators of digital properties that do not act as a Platform and are not a Non-Platform Advertising Service, are not required to undergo an independent compliance check, although they may choose to do so.

### **Principle 5 – Accountability**

As part of their participation in the Programme, companies' compliance with these principles shall be subject to mechanisms coordinated by EASA and its network of European and national-level enforcement bodies (e.g. national advertising self-regulatory organisations ("SROs")).

Participant companies that do not uphold these principles shall be subject to **applicable enforcement actions** designed with the objective of restoring compliance and administered by the aforementioned bodies.

Effective handling of consumer complaints and queries must be ensured both directly by the participating companies, and by partners to the EDAA Programme.

Consumer complaint and query mechanisms should be easily accessible, transparent, recognisable, independent, and enforceable. They must be simple to use and understand by the consumer, and they should be offered in the consumer's own language.

# **Principle 6 - Education**

Companies should point towards a consistent, common resource for the education of consumers on the user-facing portal YourOnlineChoices (*youronlinechoices.eu*). This multi-language portal provides periodically updated information in user-friendly language and different formats - e.g., useful videos, jargon buster, etc. Companies may -and are encouraged to- contribute materials to the EDAA for potential inclusion on the user-facing portal, where applicable, in support of this Principle.

### **Principle 7 - Review**

EDAA shall regularly review these Principles, at least every 3 years, taking into consideration the development of digital advertising, technology and business practices, as well as legal obligations and adapt it as appropriate. EDAA shall also review these Principles regularly in light of potentially adapting the same towards a formal Code of Conduct under the provisions of the DSA.



# **Programme Participants**

A list of all companies participating in the Programme and thus adhering to the principles laid out in this paper can be found at: <a href="https://edaa.eu/participating-companies">https://edaa.eu/participating-companies</a>.

Participating companies must clearly indicate their Programme support on their DSA-related transparency disclosures.