

Joint statement on surveillance-based advertising and the Digital Services Act

In the context of the upcoming plenary vote on the Digital Services Act, we - the undersigned civil society organisations and companies offering digital services across the EU - **urge Members of the European Parliament to put an end to invasive and privacy-hostile practices related to surveillance-based advertising.** Such practices not only harm individual users by exploiting their vulnerabilities, and threaten European democracy, but they are also detrimental to the European business landscape, while benefitting a few dominant actors that specialise in behavioural tracking and allow themselves to integrate data from across websites in violation with EU data protection rules.

We are convinced that targeted digital ads can be delivered effectively and with respect for users' choice and privacy (i.e. without covert surveillance practices), provided that exclusively data specifically provided by users for that purpose is processed, in a transparent and accountable manner. A particularly problematic practice in digital advertising is the use of inferred data, which reveals users' vulnerabilities and, by definition, is collected or generated without their awareness and control. It is time to end this practice as it causes significant harm on an individual and societal level, as evidenced by extensive academic research and recent revelations including the <u>Facebook Files</u> and the whistleblower Frances Haugen's testimony or Mozilla's <u>YouTube Regrets</u> study.

It is in the best interest of companies engaging in digital advertising to respect users' choice, autonomy, and expressed (not inferred) preferences. As clearly indicated by survey results, 75% of social media users in France and Germany are not comfortable when their behavioural data is used to target them with advertising. And while small and medium-sized businesses legitimately use online advertising to reach their clients, they do not need to rely on intrusive surveillance as a means to that end. The only actors who benefit from exploitation of users' vulnerabilities and cross-site tracking are US-based large online platforms, with an interest to preserve their dominant position in the digital advertising market.

Evidence shows that benefits of surveillance-based advertising are overstated compared to other forms of targeted advertising. **The same or better economic outcomes can be achieved with the use of ethical, privacy-respecting alternatives.** When quality publishers, including the Dutch NPO or Norwegian TV2, opted for contextual ads, their ad revenue has increased. Moreover, ethical alternatives to the surveillance-based advertising services of Google and Facebook already exist. EU-based advertising services offer SMEs effective ways of reaching potential customers without compromising users' choice and exploiting their vulnerabilities. However, they do not have a chance to scale up and become more accessible for small brands without regulatory incentives. Putting an end to the most invasive practices will strengthen small European brands and GDPR compliant digital services, as well as local media as it would promote fair competition in digital advertising and reinstate the power of quality.

We urge Members of the European Parliament to support plenary amendments to Article 24 of the DSA which go beyond the existing IMCO compromise and rule out surveillance practices in digital advertising - such as the use of inferred data - while supporting users' genuine choice.

Sincerely,

Civil society organisations:

- 1. Panoptykon Foundation
- 2. Access Now
- 3. Alliance4Europe
- 4. Amnesty International
- 5. Article 19
- 6. Bits of Freedom
- 7. Civil Liberties Union for Europe (Liberties)
- 8. Defend Democracy
- 9. Fair Vote
- 10. Global Witness
- 11. Irish Council for Civil Liberties
- 12. #jesuislà
- 13. The Norwegian Consumer Council
- 14. Ranking Digital Rights (RDR)
- 15. The Signals Network
- 16. SumOfUs
- 17. Uplift

Business representatives:

- 1. Disconnect, Casey Oppenheim, Co-founder and CEO
- 2. DuckDuckGo, Gabriel Weinberg, CEO and Founder
- 3. Ecosia, Christian Kroll, CEO
- 4. Fastmail, Bron Gondwana, CEO and Nicola Nye, Chief of Staff
- 5. Kobler, Erik Bugge, CEO
- 6. Mailfence, Patrick De Schutter, Co-Founder and Managing Director
- 7. Mojeek, Colin Hayhurst, CEO
- 8. Opt Out Advertising, Tom van Bentheim, CEO
- 9. Piwik PRO, Maciej Zawadziński, CEO
- 10. Quodari, Paul Pennarts, CEO
- 11. Startmail, Robert Beens, CEO
- 12. Startpage, Robert Beens, CEO
- 13. Strossle, Håkon Tillier, CEO
- 14. Tutanota, Matthias Pfau, CEO