

EU regulators threaten the fundamentals of the internet ecosystem

BRUSSELS, BELGIUM: The World Federation of Advertisers (WFA) has expressed serious concerns about proposals published this week by the European Commission to overhaul EU Data Protection rules.



While the proposal promises a closer harmonisation of data protection rules across EU markets, its provisions in their current form would undercut the advertising-funded business model that drives the digital economy as we know it. In turn, they would act as a brake on innovation, competitiveness and growth in Europe.

The WFA's key concerns centre on three core elements of the new proposal:

- The new definitions of "data subject" and "personal data" encompass a virtually unlimited amount of information. This means that an anonymised online identifier - such as those used to target digital advertising - would be subject to the same safeguards as an individual's full name, address or credit card number.
- By requiring a single form of "explicit consent" for all categories of information (from the anonymous to the truly sensitive), the proposal would not allow for any differentiation between asking for people's consent to placing a cookie, collecting their full name, or tracking their religious and political beliefs. This risks increasing "consent fatigue" and leading people to automatically consent to the collection of any data, undermining the special care that should be applied in the context of truly sensitive data.
- The rules for children (variously defined as those under 13 and under 18) are out of touch with reality imposing unrealistic obligations with no regard for the way young people already use the internet. The inevitable result will be that the majority of people ignore (or learn to flout) the rules altogether, thereby potentially putting the youngest and most vulnerable at a greater risk.

The digital economy is essentially powered by advertising revenue, which funds content as well as investment in people and innovation.

All online users today benefit from free services such as news, email and video streaming, for example. Disproportionate rules curbing online advertising are a fundamental threat to this model.

In response to concerns specifically around data collection in the context of online behavioural advertising, the European advertising industry has developed an innovative self-regulatory initiative designed to give internet users more transparency and control (see www.youronlinechoices.eu/ for details). By providing a real-time, contextual user control tool when and where people would naturally expect it - in or around the ads themselves - this model constitutes a far more effective, relevant and user-friendly data protection mechanism than the measures required by today's proposals.

Said Stephan Loerke, WFA managing director: "There's no denying that the current data protection framework needs updating but today's proposal would have damaging consequences for jobs and our economy. It would stifle both growth and innovation across Europe - the opposite of what is needed in the current economic climate.

"Proposals for data protection must protect people's legitimate rights to privacy while also enabling business opportunities. These proposals have failed to achieve that balance."

For more information on the self-regulatory initiative for online behavioural advertising, see www.easa-alliance.org/page.aspx/386

More information at www.wfanet.org

For more, visit: <https://www.bizcommunity.com>