

OFFICE FOR INNOVATION AND DIGITALISATION PRINCIPALITY OF LIECHTENSTEIN

# **Information Sheet**

concerning Regulation (EU) 2022/2065 of the European Parliament and of the Council on a Single Market for Digital Services (Digital Services Act; DSA)

March 2023 (updated November 2023)

#### ١. What are the main goals of the DSA?

## Fort he citizens

- Better protection of fundamental rights •
- Greater choice, lower prices
- Less illegal content

## For commercial users of digital services

- Greater choice, lower prices
- Access to EU-wide markets for platforms
- Joint action against illegal content

#### For providers of digital services



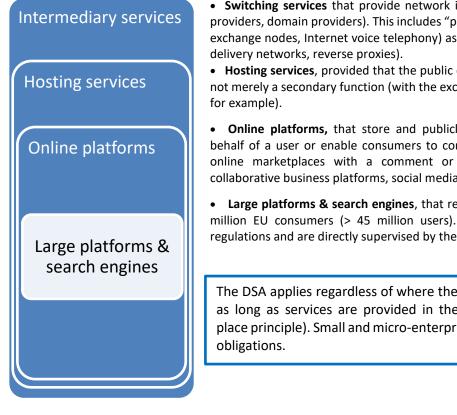
regulations Easier foundation and expansion in Europe

Legal certainty, harmonization of

## For society as a whole

- Better democratic control and supervision of systemic platforms
- Reduction of systemic risks such as
- manipulation or disinformation

#### П. Who is affected?



• Switching services that provide network infrastructure (Internet service providers, domain providers). This includes "pure transmission" (e.g. Internet exchange nodes, Internet voice telephony) as well as "caching" (e.g. content

• Hosting services, provided that the public dissemination of information is not merely a secondary function (with the exception of software as a service,

Online platforms, that store and publicly disseminate information on behalf of a user or enable consumers to conclude distance contracts (e.g. online marketplaces with a comment or rating function, app stores, collaborative business platforms, social media platforms).

• Large platforms & search engines, that reach more than 10% of the 450 million EU consumers (> 45 million users). These are subject to special regulations and are directly supervised by the EU Commission.

The DSA applies regardless of where the service provider is based, as long as services are provided in the internal market (market place principle). Small and micro-enterprises are exempt from most

# III. What changes result

- Measures to combat illegal goods, services or content on the Internet; possibility for users to report such content, cooperation of platforms with "trusted whistleblowers".
- New traceability obligations for commercial users on online marketplaces to make it easier to track down sellers of illegal goods; random checks by online marketplaces.
- Effective safeguards for users; Challenging content moderation decisions by platforms.
- **Prohibition of certain types of targeted advertising on online platforms** if they are aimed at children or use specific personal data, such as ethnicity, political views or sexual orientation.
- Increasing the transparency of online platforms in various areas, including in relation to the algorithms for ranking search results.
- **Obligations for very large platforms and search engines** to prevent the misuse of their systems by taking risk-based measures and having their risk management system independently audited.
- Access for research institutions to the core data of large platforms and search engines.
- New supervisory structure; the main role is assigned to the Member States (national Digital Services Coordinators (DSCs) supervise platforms); support from the new European Digital Services Board; very large platforms are supervised by the EU Commission.

# IV. List of duties

Obligations	Intermediary services	Hosting services	Online platforms	Large platforms*
Annual transparency reports (number of complaints, measures taken)				
Requirements for GTCs (e.g. transparency about algorithms used, simple language)				
Cooperation with national authorities by order				
Designation of a contact point for authorities and users (service providers from a third country must designate a legal representative in an EEA state)				
Complaints management for reporting illegal content (notice and takedown) and obligation to provide detailed information to the users concerned				
Reporting suspected criminal acts to the criminal prosecution authorities				
Internal complaints management system and out-of-court dispute resolution mechanisms (e.g. mediation)				
Priority for tips from «trusted flaggers»				
Publication of user figures (every six months from 17.2.2023)				
Take measures (e.g. blocking users for a certain period of time who obviously distribute illegal content or submit false complaints)				
Special obligations for marketplaces, e.g. verification of third-party providers (KYBC), compliance by design, random checks (e.g. in relation to illegal content)				
Prohibition of advertising targeted at children or based on specific personal data				
Transparency of recommendation systems (e.g. product rankings in search results)				
Transparency towards users with regard to online advertising				
Risk management and crisis management (in particular with regard to systemic risks, algorithms, etc.)				
External and independent audit, independent internal compliance function and public				
reporting (increased transparency obligations)			<u> </u>	
Option for users to reject recommendations based on profiling				
Data exchange with authorities and research				
Implementation of codes of conduct issued by the EU Commission				
Cooperation in the event of a crisis				
Opling platforms with more than 45 million ways in the 511				

\* Online platforms with more than 45 million users in the EU

**Small and micro service providers** with fewer than 50 employees and an annual turnover of less than EUR 10 million are exempt from most obligations (including the publication of user numbers), but can take on these obligations on a voluntary basis. However, at the request of the EU Commission or the national supervisory authority, these companies can also be obliged to cooperate.

Online platforms that offer their services in the EU had to publish their user numbers by **February 17, 2023**. The other obligations will apply in the EU from **February 17, 2024**. In Liechtenstein, the regulation is currently in the EEA adoption process.

Liechtenstein companies affected are requested to contact the Office for Financial Center Innovation and Digitalization (SFID) (<u>info.sfid@llv.li</u>, +423 236 76 70).

Source and further information https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-services-act-ensuring-safe-and-accountable-online-environment.