



*Slovenian Presidency of the Council*

*Executive Vice-President Vestager*

*Commissioner Breton*

*MEP Basso*

*MEP Bielan*

*MEP Geese*

*MEP Jurzyca*

*MEP Kokalari*

*MEP Schaldemose*

*MEP Schwab*

*MEP Štefanec*

*MEP Schirdewan*

*MEP Virkkunen*

*Dear Executive Vice President, dear Commissioner, dear Members of the European parliament,*

*we represent a broad-ranging coalition of SMEs, startups, advertising, technology and other organisations of various sizes in Slovakia with reach also in CEE region. As the European Parliament moves to finalise its position on the proposed Digital Services Act (DSA), we respectfully voice our firm opposition to the ban on targeted advertising that has been put forward by selected political groups. Understanding that the DSA as a major opportunity to create a strong up-to-date legislative framework that will strengthen the EU internal market and create much needed legal certainty. More specifically, we call on the EU legislator to recognise the value of the EU's existing legal framework for privacy and data protection and to avoid the inclusion of provisions in the DSA that would undermine it.*

***1. Instead of a ban on targeted advertising we should trust people to be able to make their own decisions***

*We fully support requirements in the DSA proposal that seek to improve the overall B2B and B2C transparency of digital advertising. However, we cannot agree with an European law that leads to restrict online business models through bans and prohibitions of practices that are already largely regulated by existing privacy and data protection laws. The functioning of democracies critically depends on citizens having access to services, knowledge and information online. A ban on targeted advertising would effectively strip businesses of critical revenue that enables them to guarantee such access and deprive European citizens of a significant portion of the content and services they benefit from today. Without a clear alternative, more content and services would be pushed behind paywalls, with disproportionate effects on lower-income households in particular. Consumers who do not wish to receive personalised advertising or be “tracked” online can today simply leverage existing law to refuse it, before they even start consuming ad-supported content.*

***2. A ban of targeted advertising would reduce the competitiveness of SME retailers***

*The current measures which are brought up through the DSA proposal would undercut market entry opportunities for start-ups and SMEs in need to reach their customers, create brand awareness and scale, especially in current times when economic recovery is key. Personalised ads are instrumental for regional SMEs and exporters with unique products who need to reach a global customer-base, but also essential for EU's big companies whose business is fundamentally supported by improved addressability, as they seek to provide the right messages and information to the right audience at the right time.*

***3. Improving the overall transparency would help to avoid unintended consequences of strong regulatory***

*The EU has the most detailed privacy and data protection legal framework in the world, with heavy sanctions. If the European Parliament wishes to increase consumer trust online - one of the main objectives of the DSA proposal - it should insist on effective enforcement of that current framework and reject the temptation to extend the scope of the DSA in ways that would create regulatory turmoil and bring the financial instability of Europe's businesses.*

*We encourage the European Parliament to carefully assess the impact of any measures on targeted advertising, before imposing serious limitations or bans. Advertising plays an important role for businesses operating in the European Union. Advertising enables millions of small and medium businesses to reach local customers.*

*Thank you for your consideration. We are at your disposal, if you would like to seek additional information.*