

Google, Meta, and X face stricter content moderation rules in the EU

Article





The news: The European Union's new **Digital Services Act** (DSA) will compel companies like **Google, Meta**, and **X** (formerly **Twitter**) to follow stringent new rules governing content

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moderation, ad targeting, and risk analysis or face monumental fines as penalties.

Who is affected? The EU's DSA applies to <u>19 companies</u> as "very large online platforms" (VLOP) with more than 45 million monthly users. **Amazon**, **Apple**'s App Store, Google Play, **YouTube**, **Alibaba**'s AliExpress, and German retailer **Zalando** are all included, among others.

- These platforms must now follow rules restricting ad targeting to minors and the use of sensitive data like race or gender in ads. Additionally, they are required to have content moderators for each EU language.
- Failure to comply with the DSA can result in severe penalties, including fines up to 6% of a company's annual revenues or even complete bans from operating in the EU.

Alphabet, Meta are already making changes: With the rules becoming enforceable this week, Alphabet's Google announced several adjustments, including more transparent content moderation processes.

Nick Clegg, Meta's president for global affairs, said the company has introduced new steps for **Facebook** and **Instagram**, including ending targeting of ads for teenagers based on their app activity.

X, TikTok lag behind: Despite awareness of the DSA's upcoming implementation, other technology platforms have lagged behind in their content moderation and anti tracking efforts.

- Elon Musk's X and popular social video app **TikTok** are not yet compliant and will need to rush amendments to their user targeting and data collection procedures.
- "Europe is now effectively the first jurisdiction in the world where online platforms no longer benefit from a 'free pass'," warned **Thierry Breton**, the EU's internal market commissioner

Our take: The EU's DMA has the potential to fundamentally change Big Tech's most popular platforms, which are now forced to alter business practices to comply with new restrictions or face fines or bans in the region.

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