The Digital Services Act Explained

besedo

Maya Angelou famously said "People will soon forget what you said. They will never forget how you made them feel." While Angelou could hardly have foreseen the expansion of the internet, the rise of artificial intelligence, or any of the latest developments—her words still ring true for anyone doing business online.

Introduction

Deep breaths, friend. First of all, is the Digital Services Act (DSA) just another one of the EU's many regulatory efforts like GDPR? Will the DSA make the internet a better place for everyone—including you?

This ebook demystifies the DSA, turning its intricate rules into clear, actionable insights for the people at the helm of digital platforms—whether you are an entrepreneur, a CTO, or deep in the trenches of compliance.

Why this matters to you

Whether you are bootstrapping a startup or managing a major digital platform, the DSA affects how you do business. It's about more than just staying legal; it's about leveraging compliance to strengthen user trust and carve out a competitive edge.

We are here to ensure you understand the DSA and know how to use it to your advantage.

We will also shed light on what your customers *really* think of trust and safety.

Who should read this book?

If you are confused by terms like "algorithmic accountability" or "data transparency" we got your back and this guide is for you. It's written for those new to the DSA and insightful enough for those already in the know.

Let's get started

This guide will explain the DSA, from basic concepts to the nitty-gritty of compliance. You'll finish with a solid grasp of the law and strategies for implementing it effectively in your business.

Understanding the basics of the Digital Services Act

Digital footprints are as significant as physical ones, and understanding the roots of the Digital Services Act (DSA) is crucial. It didn't just appear out of thin air; it evolved as a response to digital platforms' growing complexity and influence in our daily lives.

This legislation specifically targets services that act as user intermediaries—essentially, platforms that connect users with goods, services, or content. This includes everything from online marketplaces to social media platforms and cloud services.

This law is Europe's answer to the pressing need for modern regulations that ensure the internet remains a safe, accountable space for its users while fostering innovation and growth.

Decoding the language

Before diving deeper into the DSA, let's get comfortable with the language it speaks. Here are a few terms you'll encounter frequently:

- **Very Large Online Platforms (VLOPs):** Platforms with a reach so extensive that their compliance with the DSA is under stricter scrutiny. We're talking 45 million+ monthly users like **Facebook**, **Amazon**, **Google**, and **eBay**.

- **Online platforms:** This refers to online marketplaces, sharing economy platforms, app stores, travel booking sites, and, in general, websites and apps where people can share user-generated content.

- **Hosting services:** These include your web hosting services and cloud storage services.

- **Intermediary services:** These are your typical core services for getting internet services. Examples include internet service providers, DNS providers, and domain name registrars.

Understanding these terms is like learning the basic rules of a game—it makes *everything* much easier.

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The DSA doesn't cast its net randomly. It targets a specific set of online waters. Essentially, it applies to any digital service that connects consumers with goods, services, or content. This legislation specifically targets services that act as user intermediaries—essentially, platforms that connect users with goods, services, or content. This includes everything from online marketplaces to social media platforms and cloud services.

The DSA is not just about regulation; it's about creating a digital environment that's transparent, safe, and fair.

40% of consumers say they have at some point been scammed while using an online marketplace

So, the Digital Services Act aims to transform the digital landscape, creating a transparent, safe, and equitable environment for users and businesses. At its core, the DSA is designed to clarify the inner workings of digital platforms, ensuring that users understand how their data is used and how content is curated and presented to them.

One of the DSA's key objectives is to enhance

transparency across digital services. This involves that platforms disclose the mechanics behind their algorithms for content recommendation and ad targeting. Naturally this is intended to demystify the user experience, offering insights into why certain ads appear and how content is ranked.

This transparency is crucial for user trust and empowering users to make informed decisions online.

But the DSA is also committed to protecting users. It enforces stricter regulations to fight illegal content, requiring platforms to implement robust systems for users to report such content easily. Content moderator services like Besedo will help you with this. Furthermore, it mandates effective dispute resolution mechanisms, so that users have the right to challenge content moderation decisions.
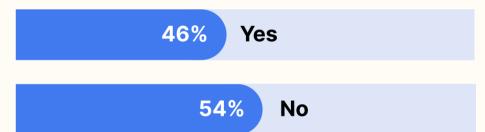
Another vital part of the DSA is fostering innovation and competition within the digital market. By standardizing regulatory frameworks across the EU, the DSA *reduces* the compliance burden on emerging startups, making it easier for new entrants to compete.

Standardization helps prevent large platforms from exploiting their market position.

This means a level playing field where innovation can thrive without the threat of monopolization.

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Are you aware of the content moderation policies on the online marketplaces you use?

46% Yes

54% No

Major provisions of the Digital Services Act

This is where we decode the DSA's nuts and bolts. We're here to turn the complex into the understandable, breaking down what those algorithms and targeted ads really mean for you and your platform.

Dive deep into digital transparency as we explore how the DSA demands clear explanations about the algorithms that influence what users see and the ads that catch their eye. Understand the 'why' behind user-targeted advertising, and equip yourself to meet these new standards and excel at them.

Next up, we navigate the crucial currents of content moderation. It's all about maintaining a clean and fair digital space. Discover how to implement effective and transparent systems for users to report illegal content and appeal moderation decisions.

This section is your guide to crafting straightforward policies that respect user rights. We'll show you how the DSA reinforces user privacy and data protection, aligning with GDPR standards to safeguard user information and enhance trust.

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Under the DSA, platforms are required to peel back the curtains on their operational algorithms and advertising mechanisms.

So, what does that mean? It means providing clear, understandable explanations of how algorithms influence what content and ads users see. Moreover, platforms must also disclose the data used in targeting ads, ensuring users understand the why behind the ads they are shown.

Plain language in terms of services will be a game-changer.

Content moderation

It's not uncommon that content posted on digital platforms sometimes feel like the Wild West, where everything roams free with little oversight. The DSA introduces structured regulations to tame this frontier, focusing on fair and transparent content moderation. Platforms must establish clear mechanisms for users to report illegal content and promptly respond to these reports.

Moreover, platforms must provide effective ways for appeal if a user disagrees with a content moderation decision. This means that the content creators have a voice in moderation.

Platforms must also maintain transparent policies

on content moderation, clarifying the rules of engagement for all users.

Protecting users

The act reinforces user privacy and security commitments, aligning closely with GDPR standards to prevent misuse. And more importantly, it addresses the modern scourge of disinformation by requiring platforms to implement systems that identify and mitigate the spread of false information—for a healthier, more truthful online discourse.

BESEDO SURVEY

80%

of marketplace users have, at some point, avoided purchasing a product due to concerns about the trustworthiness of a listing

Practical tips

Understanding these DSA provisions is the first step; naturally, implementing them effectively is the real challenge. You should begin by assessing your operations' transparency, especially regarding algorithmic processes and ad targeting.

Setting up reporting and appeal systems for content moderation is also critical, as these will comply with the DSA and enhance your users' trust. Doing this will make a world of difference and it's definitely something that a content moderation service like **Besedo** can help you out with.

Compliance obligations

You might not like this next part but DSA compliance starts with a thorough risk assessment. This isn't just about ticking boxes; it's about genuinely understanding the vulnerabilities within your platform and its operations.

Whether it's data breaches, content management, or advertising practices, identifying these risks is your a great start toward protecting your platform. Only identify them for now—knowing is the first step.

Once you know where the pitfalls lie, you start outlining strategies to mitigate these risks, so your operations are compliant and resilient.

Auditing and reporting are your navigation tools and regular audits help verify that every aspect of your operations aligns with the DSA's standards. Your audits should be thorough and frequent, as routine checks to ensure your compliance health is up to scratch.

Again, please consult your internal compliance team and a content moderation service.

Transparency in reporting is equally crucial. By openly sharing your compliance status and any challenges you encounter, you adhere to the DSA and demonstrate your commitment to transparency and accountability.

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"Our goal is to remove offensive content before a user even sees it. We use third party moderation partners such as Besedo whose advanced AI-based solutions enable the app to perform live checks for offending content."

— Gautier Gédoux, CTO

WIZZ

Keeping records

Implement a systematic approach to document all compliance-related activities. Use digital tools to manage this documentation, ensuring that records are secure and easily retrievable. Organize documents by category—such as user reports, compliance checks, and staff training activities—and maintain a clear audit trail that records who accessed or modified documents and when.

This facilitates smoother regulatory audits and helps quickly address any inquiries or investigations by authorities.

Implementing compliance measures

The practical implementation of compliance measures requires a structured approach. Establish a dedicated compliance team and empower them with clear roles and responsibilities. This team should have sufficient resources and authority to enforce compliance measures across all departments. Regular training programs are crucial to ensure that every employee, from executives to new hires, understands their role in compliance. Utilize interactive workshops, webinars, and e-learning to keep training engaging and informative.

Finally, compliance should be integrated into the business strategy by regularly reviewing and adjusting policies to keep pace with technological advancements and regulatory landscape changes.

By thoroughly integrating these practices, you transform compliance from a regulatory requirement into a cornerstone of your business strategy. This prepares your platform to meet the DSA's demands and positions you as a trustworthy digital platform.

Practical guidance for implementation

Setting up effective compliance programs

Your first step is to establish a robust compliance program. This is more than just a set of policies; it's a comprehensive approach to ensuring your entire platform aligns with the DSA. Start by assessing your current practices against DSA requirements.

Identify gaps and plan actionable steps to address them. Allocate the necessary resources and reach out to a content moderation service.

Creating a compliance roadmap is crucial. This detailed plan should outline key milestones and deadlines for meeting DSA standards. Regularly update the roadmap as you track progress and regulatory requirements evolve. Make sure this roadmap is accessible to all stakeholders to keep everyone on the same page.

Best practices for risk management

Effective risk management is central to DSA compliance. Conduct continuous risk assessments to identify and evaluate the risks associated with data handling, content management, and user interaction. Use the insights gained to implement preventive measures such as enhancing cybersecurity defenses, tightening data privacy protocols, and refining content moderation processes.

Develop a risk response strategy that includes mitigation plans and procedures for managing compliance failures. Establish clear lines of communication across your organization to ensure quick response and resolution of issues as they arise. This proactive approach reduces potential liabilities and reinforces a culture of compliance.

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Leveraging tools and technology

Invest in software solutions that automate data management, monitor content moderation activities, and track real-time compliance status. Tools like compliance management systems can provide dashboards that give an overview of your compliance health, alert you to potential issues, and help manage documentation and reporting tasks.

Additionally, technologies that enhance transparency and user engagement, such as digital consent platforms, should be considered, as they make it easy for users to manage their data preferences and understand their rights.

Building a compliance-conscious culture

Engage with your team from the top down. Leadership should actively promote and participate in compliance activities, setting a tone that values transparency and responsibility.

Implement ongoing training programs to keep your staff informed about the latest DSA regulations and your company's compliance protocols.

Use interactive and engaging training methods to enhance understanding and retention. Encourage employees to contribute ideas on improving compliance practices, making them active participants.

Monitoring and improving compliance practices

Finally, compliance is an ongoing journey. Regular monitoring and evaluation of your compliance practices are essential. Set up periodic reviews to assess your compliance program's effectiveness and make necessary adjustments.

These reviews should be comprehensive, covering everything from policy adherence to the effectiveness of training programs.

Run towards adversity. Be open to feedback and willing to make changes. By staying adaptable and forward-thinking, you can ensure that your platform meets current regulations and is prepared for future challenges.

BESEDO SURVEY

Top ranked priorities for online content, according to consumers

92%

consider **good product images** to be important for trusting a listing

92%

consider **good product descriptions** to be important for trusting a listing

86%

consider **reviews** to be important for trusting a listing

Closing words – TLDR;

So, let's quickly break down the Digital Services Act (DSA) — it's basically the new rulebook for anyone running a digital platform in Europe, big or small. Think of it as the government stepping in to make sure everything online is more transparent, safe, and fair for everyone using or running services on the internet.

Here's the gist: the DSA wants platforms to be super clear about how they use algorithms and data, especially when it comes to showing ads or recommending content. It's all about letting users know why they see what they see, which hopefully means fewer surprises and more trust.

Content moderation is also getting a serious overhaul. The DSA sets rules to ensure that when content is flagged as inappropriate or illegal, there's a clear process for dealing with it. Plus, if someone thinks their post was unfairly removed, they can challenge that decision. It's about keeping things fair and balanced.

There is also a strong focus on users' rights. The DSA is all about protecting personal data and making sure users have a say in how their information is used—a win for privacy.

Here at Besedo, we're ready to guide you through these immense changes. Learn more about how we can help you unlock the future of user-generated content with compliance and content moderation.

Just reach out for a quick chat, no string attached.

Talk to a friendly expert