



Press Release

The European Union's Digital Services Act: A Primer

ALLISON EDWARDS | MARCH 24, 2021

The Digital Services Act (DSA) is part of the European Commission's latest effort to regulate tech companies. In a new primer, AAF's Technology and Innovation Policy Analyst Juan Londoño outlines the five key elements of the DSA and explains its potential impact on American tech companies operating in Europe. The DSA could put American tech companies at a disadvantage by subjecting them to more stringent monitoring and reporting standards, he writes, and as a result it could mean consumers miss out on certain products and services.

His central points:

- The DSA would introduce stricter regulations for internet intermediaries and digital platforms, requiring the implementation of a virtual complaint system, setting yearly reporting requirements, and threatening fines;
- The DSA also includes a “very large” distinction for platforms with an active user base of over 10 percent of the European population, which brings with it more stringent reporting and monitoring standards, yearly external audits, and higher fines; and
- The DSA would not only impact companies located in the European Union, but it would also directly target American companies with its “very large” distinction, harming consumers in the United States and around the globe.

[Read the analysis.](#)