

DATA PROTECTION DEAL IS A SETBACK FOR EUROPE'S DIGITAL ECONOMY

Brussels, 16 December 2015 - The political deal struck on Europe's future data protection law is bad news for consumers and for businesses. IAB Europe raises concerns about the political agreement on Europe's future data protection law.

European institutions have been quick to call the deal on Europe's future data protection law 'a major step towards a Digital Single Market', or claim that Europeans will continue to be able to 'enjoy all the services and opportunities of a Digital Single Market.'

"The data protection deal is a triumph of populist rhetoric over common sense," said Townsend Feehan, CEO of IAB Europe. "On the Internet, as elsewhere in life, there is no such thing as a free lunch. The value that EU consumers are currently able to enjoy in the form of free or low-cost online services needs to be paid for somehow."

The new law fails to recognise that not all data are the same. This threatens Europe's vibrant online advertising industry because it raises serious concerns about the possibility for companies to continue processing low-risk pseudonymous data. Advertising is the growth engine of the Internet, funding the majority of media and services that EU citizens have access to at little or no cost today.

"This will hurt European media already reeling from their transition to digital," said Allan Sørensen, IAB Europe board member. "Weakening the effectiveness of online media's main source of income will also inevitably undermine media plurality and media independence in Europe."

The agreed text is full of legal uncertainty, red tape and restrictions which will have the exact opposite result of making Europe 'fit for the digital age', as the supporters of the privacy deal struck yesterday claim they aim to do. Instead it will limit feasible business models and reduce the availability of information and services on the Internet.

"Legal uncertainty and big fines are a toxic cocktail, companies will have little choice but to impose annoying requests for consent every time a user accesses their website. Europe remains a regulatory minefield which means that new data-driven innovative services and products will continue to come to European consumers much later or not at all, and if they come they will be offered by more competitive companies."

For more information, please contact Townsend Feehan (feehan@iabeurope.eu, tel. +32 478 275 074) or Allan Sørensen, IAB Europe board member and spokesperson on data protection issues for IAB Europe's Policy Committee (as@danskemedier.dk, tel. +45 3397 4281).

About IAB Europe

IAB Europe is the voice of digital business and the leading European-level industry association for the interactive advertising ecosystem. Its mission is to promote the development of this innovative sector by shaping the regulatory environment, investing in research and education, and developing and facilitating the uptake of business standards. Together with its members – companies and national trade associations – IAB Europe represents over 5,500 organisations.

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