

Press Release

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Investigation into TikTok closed with important questions unresolved - consumers left in the dark

Today, the European Commission and the national consumer authorities (the 'CPC Network') announced the end of their dialogue with TikTok, which had been running for more than a year, and the closure of their investigation into the social media platform. Despite some welcome improvements to TikTok's policies, some worrying issues remain open or unresolved.

This announcement is the result of a process that began in February 2021, when BEUC and 18 consumer organisations¹ across Europe <u>alerted the authorities</u> to multiple infringements putting TikTok users at risk, especially children and youngsters — the platform's core audience. Earlier this month, BEUC sent a <u>letter</u> to the CPC Network expressing concerns about the lack of progress in this case as well as the limited scope and unclarity of TikTok's announced policy changes.

As the Commission and the CPC Network stress in their communication, the commitments made by TikTok (particularly the transparency of advertisements, the virtual items policy) will require continued attention.

Regrettably, some points BEUC highlighted in its initial complaint have not been addressed. This is notably the case of TikTok's copyright clause, which still gives the platform a very broad licence to make use of the content generated and posted by its users. We also remain concerned about the absence of a mechanism to protect young consumers from abuse by influencers when they purchase TikTok "virtual coins". Also, TikTok has not made commitments to stop profiling and targeting children with personalised advertising.

BEUC Deputy Director General Ursula Pachl said:

"We welcome that TikTok has committed to improve the transparency of marketing on their platform, but the impact of such commitments on consumers remains highly uncertain. Despite over a year of dialogue with TikTok, the investigation is now closed, leaving significant concerns that we raised unaddressed.

¹ Test Achats/Test Ankoop (Belgium), Kypriakos Syndesmos Katanaloton/CCA (Cyprus), dTEST (Czech Republic), Forbrugerrådet Tænk (Denmark), UFC Que Choisir (France), vzbv (Germany), EKPIZO (Greece), Altroconsumo (Italy), Consumatori Italiani per l'Europa/CIE (Italy), Consumentenbond (The Netherlands), Forbrukerradet (Norway), Spoločnosť ochrany spotrebiteľov (S.O.S.) Poprad (Slovakia), Zveza Potrošnikov Slovenije/ZPS (Slovenia), Sveriges Konsumenter (Sweden), ASUFIN (Spain), Organizacion de Consumidores y Usuarios/OCU (Spain) and Fédération Romande des consommateurs/FRC (Switzerland). vzbv from Germany sent a legal warning to TikTok instead of contacting the German authorities.



"We are particularly worried that the profiling and targeting of children with personalised advertising will not be stopped by TikTok. This is in contradiction with the five principles on advertising towards children adopted by the data protection and consumer protection authorities last week.²

"We now urge the authorities to closely monitor TikTok's activities and to take national enforcement actions if commitments do not deliver. This must not be the end of the story. BEUC and our members will keep a close eye on the developments."

ENDS

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² In their recent 'Five Key Principles of fair advertising to children' <u>published</u> last week, consumer protection authorities and data protection authorities clearly stated that children should not be profiled for advertising purposes. The forthcoming Digital Services Act will introduce a prohibition in this regard.