

National Data Strategy – DCMS call for evidence IAB UK submission

Introduction

1. IAB UK is the trade association for digital advertising, representing over 1,200 of the UK's leading brands, agencies, media owners and technology providers. We have a Board comprised of 25 leading businesses in the sector, including news media brands. Our purpose is to build a sustainable future for digital advertising, a market that was worth £13.4bn in the UK in 2018.
2. The IAB is actively engaged in working towards the optimal policy and regulatory environment to support a sustainable future for digital advertising. We also develop and promote standards and good practice to ensure a responsible medium.

Overview

3. The scope and aims of the National Data Strategy overlap with several other related Government-led initiatives. The work on the Strategy should seek to engage with those other strands of work to share information and learnings, rather than to duplicate or compete with them, to ensure that it adds value. There is a clear and urgent need for coordination of Government policy-making and policy objectives in relation to the digital economy across all aspects, which are interrelated, including data, tax, competition and regulation. A thriving digital economy depends on a policy and legislative approach that is holistic and coordinated and supports existing self-regulation where it is working well.
4. Advertising is a key driver of value in the economy and therefore the viability of the digital advertising sector is relevant to the issues identified under Objective 4 of the call for evidence. For example, the digital advertising ecosystem is global and relies on the free flow of data. The UK's exit from the EU poses a risk to this, as well as to the UK's role in influencing regulation (such as the ePrivacy Regulation) that is likely to affect UK businesses even once the UK leaves the EU, and to influencing EU-wide regulatory approaches given that the ICO will lose its seat on the European Data Protection Board once the UK leaves the EU.
5. The UK Government should therefore continue to prioritise UK-EU and UK-U.S. data sharing agreements as part of its Brexit preparations, and the National Data Strategy should support UK businesses by recognising the critical importance of continued data flows and a pragmatic, risk-based approach to regulating the use of data that achieves a consistent and harmonised approach.

Response to questions in the call for evidence

Our submission focuses on the following three areas of the call for evidence:

- Objective 1. To ensure that data is used in a way that people can trust
- Objective 2. To ensure that everyone can effectively participate in an increasingly data-driven society
- Objective 3. To ensure that all businesses and non-profit organisations can effectively operate in an increasingly data-driven economy

Questions 1.1, 1.2, 1.5, 2.1

The EDAA AdChoices Programme

Appendix 1 provides details of the programme run by the European Digital Advertising Alliance (EDAA). In 2011, building on an US initiative and the development of good practice in the UK, EU advertising and media trade bodies published good practice for all EU and EEA markets to enhance transparency and user control for online behavioural advertising (OBA): the EDAA AdChoices Programme. This Programme requires participating businesses to agree to seven key good practice principles and is aimed at providing greater transparency and control in interest-based or behavioural advertising – a way of making adverts more relevant to people’s preferences and interests based upon their previous browsing activity.

At the heart of the initiative is a small ‘AdChoices’ symbol or icon in ads that – when clicked on – provides more information about the collection and use of information for this purpose, as well as links to ways for people to manage their advertising preferences. In a nutshell, the initiative aims to take the ‘notice’ out of a privacy policy and place it somewhere more contextually useful for the user, as well as providing easy-access to ways people can have some control over their advertising data.

The IAB Europe Transparency and Consent Framework

The IAB Europe Transparency and Consent Framework (TCF) was launched in April 2018, ahead of GDPR coming into force. The TCF represents a global cross-industry effort to help publishers, technology vendors, agencies and advertisers meet the transparency and user choice requirements under GDPR and the ePrivacy Directive (implemented in the UK via the Privacy and Electronic Communications (EC Directive) Regulations 2003). The TCF is the largest industry collaboration of its kind.

The TCF helps all parties in the digital advertising chain ensure that they comply with GDPR and the ePrivacy Directive when processing personal data or accessing

and/or storing information on a user's device, such as cookies, advertising identifiers, device identifiers and other tracking technologies. It aims to create a standardised way for companies – particularly those that do not ordinarily have a first-party relationship with people online – to engage with people about their choices and rights in relation to the use of their personal data for advertising purposes.

The TCF standardises the approach to providing people, in a user-friendly manner, with:

- Information about the data that is being collected and for what purposes it is intended to be used, and a mechanism to exercise choice over this data processing
- Details of the companies that want to process their personal data and a mechanism to exercise choice over which companies can process it
- Access to the privacy policies of each of these companies

Version 2.0 of the TCF is in the process of being finalised¹ and will deliver improvements for consumers including:

- Increased transparency and controls
- Expansion of original five purposes for data processing to a more granular twelve
- A new, innovative way to present the increased number of purposes for ease of comprehension
- 'Right to object' functionality built in to the TCF, allowing users to object to processing under legitimate interest. Previously, this was handled outside of the TCF.
- More control over whether and how vendors may use certain features of data processing, for example use of precise geolocation.

Appendix 2 provides information about the TCF and the changes that version 2.0 will deliver. The TCF will continue to evolve to meet the needs of consumers and businesses and in response to feedback from regulators.

Media Smart

Media Smart² is the advertising industry's education programme that helps young people in the UK to confidently navigate the media they consume, including enabling them to identify, interpret and critically evaluate all forms of advertising. It creates

¹ <https://www.iabeurope.eu/policy/data-protection/iab-europe-launches-public-comment-for-its-gdpr-transparency-consent-framework-version-2-0/>

² <http://mediasmart.uk.com>

free media and digital literacy resources for teachers, parents and youth organisations working with 7-16-year olds.

Recent education resources have focussed on digital advertising (for primary schools) and social media– including how data is used to shape the content and ads you see – and influencer marketing (for secondary schools). Teaching materials on other topics are being planned.

Question 1.9 and section 3

The long-term sustainability of the digital advertising industry depends on there being a healthy ecosystem that includes a diversity of players generating choice in a competitive marketplace, particularly among the third party companies providing services to publishers and media-owners (to monetise their content) and advertisers (to effectively and efficiently reach their target audiences).

At this early stage (just over one year on from implementation) it is difficult to conclude precisely what impact GDPR has had on businesses engaged in the data-driven digital advertising ecosystem. Its impact has been significant and it has contributed to the regulatory uncertainty facing the sector due to its ambiguity, recency and associated lack of regulatory consistency or case-law to guide companies on its practical interpretation (although regulators are beginning to communicate positions and publish guidance that are beginning to provide some clarity). The proposed revised EU ePrivacy Regulation is adding to this uncertainty and threatens the sustainability of the ad-funded internet and the companies engaged in supporting it. It stands to significantly affect the ability of content providers to continue to deliver ad-funded content and services and the ability of advertisers to reach their audiences online in targeted, efficient and measurable ways.

The development of the National Data Strategy should include commissioning research to address knowledge gaps about the impact of GDPR and Brexit on data-driven sectors such as digital advertising, to ensure that the Strategy is evidence-led and achieves its objectives.

*IAB UK
July 2019*

Appendix 1

The European Digital Advertising Alliance and online behavioural advertising best practice initiative

In 2011, building on an US initiative and the development of good practice in the UK, EU advertising and media trade bodies published good practice for all EU and EEA markets to enhance transparency and user control for online behavioural advertising (OBA): the EDAA AdChoices Programme. This framework applies to advertising targeted at any user, including those aged under 18.

The initiative is based upon seven key principles: notice, user choice, data security, sensitive segmentation (for example, it requires participating businesses to agree not to create 'interest segments' to specifically target children 12 and under), education, compliance and enforcement, and review. A copy of the EU industry Framework and the full set of principles can be found at: <http://edaa.eu/european-principles/>.

At the heart of this work is a symbol or icon (see right – often known as the 'AdChoices' icon) that appears in or around the advertisements on sites, as well as on site pages themselves.



When a user clicks on the icon he or she will be able to find out more about the information collected and used to show them the ad and which companies are processing their data for this purpose. In 2018, over 159bn icons were delivered by approved providers across Europe, giving consumers significant opportunities to manage or control their online advertising preferences.³

The icon also links to ways for internet users to manage their interests, such as via privacy dashboards or ad preference managers. It also links to a pan-European website – www.youronlinechoices.eu – with helpful advice, tips to help protect privacy and a control page where you can turn off behavioural advertising. In 2018 there were on average 2.1 million unique visitors to www.youronlinechoices.eu every month (up from 1.9 million in 2017).⁴ The UK version of the website is at www.youronlinechoices.eu/uk.

³ <https://www.iabuk.com/policy/edaa-2018-activity-report>

⁴ *ibid.* This number excludes those delivered by companies that integrate the icon 'in house' rather than via a third party provider.

The EU industry initiative is administered by the European Interactive Digital Advertising Alliance (EDAA) www.edaa.eu. The EDAA programme is integrated with national advertising self-regulatory organisations who handle complaints. In the UK, the ASA administers OBA consumer complaints and in 2013 [rules on OBA](#) were introduced to the CAP Code. These were updated in 2018 to reflect the introduction of the GDPR.

It should be noted that a number of the aspects covered by the Framework (such as notice, choice, and sensitive segmentation) are now covered by the GDPR and the EDAA is considering how best to evolve the Framework in light of that.

Further information on the initiative is available:

- IAB UK Factsheet <https://www.iabuk.com/policy/iab-factsheet-may-2014-online-behavioural-advertising>
- the EDAA's explanatory video at <https://www.youtube.com/watch?v=4ZwP2zDSoEY&feature=youtu.be>
- EDAA overview and activity update (2018) <https://www.iabuk.com/policy/edaa-2018-activity-report>

Appendix 2

IAB Europe Transparency and Consent Framework v 2.0 FAQs

Question	Answer
<p>What is the IAB Europe Transparency & Consent Framework (TCF)?</p>	<p>The Transparency and Consent Framework (TCF) consists of Technical Specifications and Policies for the digital sector that enables companies that participate in or rely on the delivery of digital advertising and targeted content to work under an appropriate legal basis for the processing of personal data and meet transparency and user choice requirements found in data protection laws of the European General Data Protection Regulation (GDPR). It has been developed by IAB Europe in collaboration with organisations and professionals in the digital advertising and publishing industries.</p> <p>The TCF consists of:</p> <ul style="list-style-type: none"> • A registry of vendors called the Global Vendor List (GVL), which digital property operators, such as publishers, can use to see whether the vendors they work with participate in the TCF, the purposes for which they process personal data, and the legal bases on which they do so. • A list of consent management providers (CMPs) that can work with digital property operators • Policies and terms & conditions underlying: <ul style="list-style-type: none"> ○ Vendor registration on the GVL ○ The disclosures to be made about vendors included on the GVL ○ Use of the technical standards by publishers and vendors on the GVL • Technical standards covering: <ul style="list-style-type: none"> ○ Retrieval of information from the GVL about the vendors it works with to disclose that information to a publisher's users ○ Capturing, storing and retrieving a user's choice about each vendor ○ Dissemination of that information through the advertising ecosystem so that vendors know

	<p>whether they have the appropriate permission and legal basis to process a user's personal information</p>
<p>Why was the TCF created?</p>	<p>The TCF was created to help companies who display and manage digital advertising and develop targeted content comply with the European General Data Protection Regulation (GDPR) and ePrivacy Directive (ePD) when processing personal data or accessing and/or storing information on a user's device.</p> <p>The user is therefore the principal focus of the TCF, designed to give them both transparency over the use of their data and control over how their data could be used if consent is given. In each instance of the development of the TCF the user remains central to its objective.</p> <p>The TCF was launched on 25 April 2018 and is the only digital advertising industry transparency and consent framework built in response to GDPR as a cross-industry initiative, offering a standardised approach to supporting legal compliance.</p>
<p>Who is the TCF designed for?</p>	<p>The TCF is designed to help digital property operators, such as publishers and advertisers, work with technology vendors that provide data-driven services which support both their operations and commercial activities. It supports a diverse array of companies in the digital advertising supply chain in their compliance with data protection laws when accessing and/or storing information on a user's device or processing personal data.</p> <p>Central to the design of the framework is the opportunity it gives digital property operators to communicate to their users what data is being collected, how a digital property and its vendors intend to use it, and which vendors intend to use it and how users can exercise complete control over this process.</p> <p>Delivering the transparency and user choice requirements found in data protection laws of the European General Data Protection Regulation (GDPR) is core to the operation of a digital property. The TCF was designed to support the digital advertising sector meet both the needs of the consumer at</p>

	<p>the same time as providing a commercially sustainable future for suppliers of the digital services that users wish to access.</p>
<p>Who manages the TCF?</p>	<p>The Managing Organisation (MO) is IAB Europe. IAB Europe works closely with IAB Tech Lab to collaborate in the management of participating companies, experts and working groups that create the common policy and technology specification that underpin the TCF. Within its role of MO, IAB Europe takes specific responsibility for TCF Policies, compliance, and management of the Global Vendor List (GVL) and CMP administration. IAB Tech Lab is responsible for developing and iterating on the technical specifications associated with the TCF.</p> <p>IAB Europe, IAB Tech Lab and industry partners have remained passionate about making a sustainable framework that truly delivers user transparency, choice and control. Without the standardisation and common methods provided by the TCF, such as common definitions of the industry’s personal data processing operations and purposes and technical mechanisms to offer and give effect to user choice and control, compliance with EU data protection law would at best be more confusing and expensive, and at worst, impossible.</p>
<p>Why did you create an updated version of the TCF, TCF v2.0?</p>	<p>Successful management of technical frameworks over time requires continual consultation with its users and the broad base of stakeholders. For the TCF, that includes publishers, advertisers, media agencies, and technology providers. Over the past 12 months, stakeholder feedback has been sought, most notably from the publisher community providing valuable feedback on how the framework can be improved and better serve the community. This has driven the creation and purpose of TCF v2.0. In addition, feedback from regulators on TCF was sought and incorporated.</p> <p>The vision for TCF v2.0 is to provide enhanced transparency and choice to consumers and greater control to publishers.</p>
<p>Who contributed to developing the second iteration of the TCF, TCF v2.0?</p>	<p>Much like TCF, TCF v2.0 was developed with an emphasis on creating an industry standard through the inclusive, fair and consensus-based participation of stakeholders. The community of TCF stakeholders is broad and includes</p>

	<p>publishers, technology providers and advertising and media agencies. IAB Europe as the Managing Organisation (MO) of the TCF established a TCF Steering Group (SG) whose mission is to bring together these stakeholders to actively contribute to iterating on all non-technical aspects of the TCF and engage with the IAB Tech Lab, which owns iterating on the technical specifications.</p> <p>Substantive scope of the SG includes definition of policy requirements, identification of new features and functionality to align to regulatory and policy requirements, validation of vendors and CMPs, and dialogue with European data protection enforcement authorities. The SG convenes working groups as necessary to propose solutions to problems identified by the SG and is the “plenary” to whom working groups report. The Tech Lab has an established GDPR Working Group that is responsible for the technical iterations that are managed by the Tech Lab Commit Group</p>
<p>Who was involved with creating the updated Policies for TCF v2.0?</p>	<p>IAB Europe’s TCF Steering Group (SG) was responsible for creating the updated policy requirements. The SG consists of IAB Europe membership and actively encourages participation from all companies in the digital advertising supply chain, including publishers and digital property operators, technology providers and advertising and media agencies and industry associations representing them. It has various working groups that report to it, including the Policies Working group, which is responsible for the Policies, and the Purposes Working Group that redefined the purposes and features of processing personal data that the TCF supports.</p>
<p>Who was involved with creating the Technical Specification for TCF v2.0?</p>	<p>The IAB Tech Lab’s GDPR Technical Working group was responsible for creating the updated technical specification for TCF v2.0. The working group involves companies that are actively engaged in all aspects of the digital advertising supply chain from digital property operators and app developers to tech vendors and media buyers. More broadly the IAB Tech Lab GDPR Technical Working group is tasked with iterating on the technical specifications associated with the TCF, managing and maintaining the TCF reference architecture, protocols, and specifications and providing technological solutions to new challenges presented as a</p>

	<p>result of new policy requirements resulting from TCF Policies updates. The governance of the IAB Tech Lab GDPR Technical Working Group is overseen by the IAB Tech Lab Commit Group</p>
<p>What are the benefits of the TCF v2.0?</p>	<p>TCF v2.0 has been developed to provide both users and publishers with greater transparency and control. Under TCF v2.0, not only can the user give or withhold consent, but they can also exercise their ‘right to object’ to data being processed on the basis of legitimate interests. It also enables greater transparency for the user, through more detailed descriptions of the purposes of data processing. The publisher can also exercise increased restrictions on both the purposes and legal bases upon which a vendor can process data collected on their digital property enabling greater customisation of the vendor operation. In addition, the vendor is able to process under legitimate interest if not restricted by the publisher or objected to by the user. These increased levels of transparency and control throughout the supply chain support a more streamlined and transparent user experience.</p> <p>TCF v2.0 continues to support the overall drive of the TCF to increase user transparency and choice, management by digital properties of consent and compliance and industry collaboration that centres on standardisation. Specifically, TCF v2.0 is supporting</p> <ul style="list-style-type: none"> ▪ <i>Choice</i> - through revised definitions and descriptions of data processing purposes that combine greater granularity (now increased from 5 to 10 purposes with the addition of 2 special purposes, and 2 features and 2 special features) that will enable users to make informed choices regarding the processing of their personal data ▪ <i>Transparency</i> - with a more complete accommodation of the “legitimate interests” legal basis for data processing and the introduction of signals that allow CMPs to offer users a

	<p>streamlined means of exercising the “right to object” to processing on the basis of a “legitimate interest”</p> <ul style="list-style-type: none"> ▪ Control - with new, granular controls for publishers about the data processing purposes permitted by them on a per vendor basis • Compliance - through greater support for the users of the framework in their application of the policies, terms and conditions and technical specifications with increased investment by IAB Europe in the resource to support this
<p>What are the benefits for Publishers?</p>	<p><u>Publishers can provide more transparency to their users</u> with the introduction of clearer and more detailed purposes and standardised flexibility in how those purposes are described to their users. Publishers benefit from their users being better informed about the vendors publishers are using to deliver advertising and targeted content and having greater control over how those vendors use their data.</p> <p><u>Publishers have greater control</u> in version 2.0 of the TCF. The ability of the publisher to specify custom requirements (“publisher restrictions”) has been introduced allowing the publisher to have greater control over how and who it works with. Publisher restrictions allow digital properties to granularly control vendors and their use of personal data and enable custom requirements, for example:</p> <ul style="list-style-type: none"> • Purposes - more granular control over the purposes for which personal data is processed by a vendor; • Legal basis - specify the legal basis upon which a publisher requires a vendor to operate if the vendor provides options to publishers. <p><u>Greater flexibility in storage</u> of service-specific (publisher-specific) purposes with direct encouragement to consider storage mechanisms that are beyond “cookie” storage</p>
<p>What are the benefits for Vendors?</p>	<p><u>Better informed users</u> is a benefit to vendors. Vendors in the advertising ecosystem benefit from consumers being better informed and having more control over their data and</p>

	<p>vendors benefit from this and the ability for consumers, publishers and vendors to talk about and signal those controls in a standard manner throughout the advertising ecosystem.</p> <p><u>Support the broader interests of the industry through the explicit signalling of whether transparency has been provided to users about processing of personal data under the legitimate interest legal basis, and whether the user has objected to such processing, in addition to the accommodation of the consent legal basis</u></p>
<p>What are the benefits for consumers?</p>	<p><u>Consumer will see an increase in controls</u> in TCF v2.0 with the more comprehensive inclusion of the functionality within the TCF for a consumer to exercise and signal the “right to object” (RTO) to processing based on a legitimate interest legal basis and a new signal to allow parties in the advertising supply chain to receive standardized signals through the TCF (vs. outside the TCF) that the user has objected to such processing / exercised the RTO. In addition, the consumer can also control how vendors may use certain “features” (i.e., data types and aspects of processing whose use can be integral to processing for many purposes) with an opt-in mechanic for “Precise Geolocation” beyond operating system controls and “active device scanning”</p> <p>In addition, there will be a:</p> <p><u>Broadening of transparency for the consumer</u> with more detailed and user-friendly definitions of the purposes under which the parties in the digital media ecosystem can process data increasing the number of purposes from 5 to 12 and including two special features - geo-precise location and active device scanning for identification.</p>
<p>What are the main differences between TCF and TCF v2.0?</p>	<p>TCF v2.0 provides the following above the current technical specification and policies provided by TCF:</p> <ul style="list-style-type: none"> • <u>Increased and more “user friendly” detail on purposes</u> – significant time has been spent tailoring the industry’s standardised processing purposes to make them even more granular and user friendly and to provide (standardised) flexibility to publishers in how they wish to message these purposes to their

	<p>users. There are now 10 purposes (as opposed to 5 in TCF) and 2 special features.</p> <ul style="list-style-type: none"> • A more complete accommodation of the “legitimate interests’ legal basis for processing personal data including signalling of a user’s “right to object” (RTO) within TCF v2.0 signals • Greater <u>publisher controls</u> – enabling a publisher more granular control over the purposes for which personal data is processed by a vendor on a per vendor basis. V2.0 also allows publishers greater control over they the legal basis upon which a vendor operates. This allows vendors to more easily operate in different markets where publishers have different perspectives on the appropriate legal basis on which they (and their vendors) process personal data. • <u>Greater flexibility in storage mechanism for publisher and user choice</u> - used for service-specific (containing publisher purpose restrictions) vendors and user choice. The CMP does not automatically have to use a “cookie”. In TCF the consent string was stored as either a 1st party cookie for service-specific and publisher-specific purposes consent or a 3rd party cookie for global consent. <p>NB global TC strings must still be stored as “cookies” under the global consensu.org.domain; in addition, publisher descriptions can only be stored in a service-specific TC string</p> <p><u>Introduction of the Transparency and Consent String - the TC String</u> – in place of the naming convention “daisy bit”, the name “TC String” has been introduced as a clearer naming convention (in line with the drive for greater transparency) BUT note it still operates as a binary string of individual bits that work to the encoding process of base64; the name may have changed but the basic programming of the string has not changed. The information stored, because of greater consumer choice has though significantly increased.</p>
<p>How does the TCF help publishers?</p>	<p>The TCF supports all digital properties that employ advertising as a commercial vehicle to support the creation of content or services on their digital property, use content personalisation technology, or measurement and analytics</p>

	<p>tools, and all companies that in turn support the rendering of advertising on these digital properties, content personalisation or measurement and analytics.</p> <p>It does this by enabling the publisher to work with a Consent Management Provider (CMP) that is a company or organisation that centralises and manages transparency for, and consent and objections of, the end user. The CMP can read and update the legal basis status of vendors on the GVL, and acts as intermediary between a publisher, an end user, and vendors to provide transparency, help vendors and publishers establish legal bases for processing, acquire user consent as needed and manage user objections, and communicate legal basis, consent or and/or objection status to the ecosystem. A CMP may be the party that surfaces, usually on behalf of the publisher, the UI to a user, though that may also be another party. CMPs may be private or commercial. A private CMP means a publisher that implements its own CMP for its purposes. A commercial CMP offers CMP services to other parties. Unless specifically noted otherwise, these policies apply to both private and commercial CMPs.</p>
<p>What does consent mean under GDPR?</p>	<p>Consent means that the user actively agreed to the processing of his/her personal data. In order for consent to be legally valid, the following requirements must be met:</p> <ul style="list-style-type: none"> • Freely given: • Specific: • Informed: and • Unambiguous