Detailed methodologies and procedures regarding the supervisory fees charged by the Commission on providers of very large online platforms and very large online search engines

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This delegated Regulation **supplements** Regulation (EU) 2022/2065 of the European Parliament and of the Council on a single market for digital services by setting out in detail the methodology and procedures regarding the supervisory fees charged by the Commission on providers of very large online platforms and very large online search engines. In particular, it establishes the detailed methodology and procedure for the determination of estimated costs and for the calculation of individual fees.

Background

Article 43 of Regulation (EU) 2022/2065 requires the Commission to charge providers of very large online platforms and of very large online search engines annual supervisory fees, the overall amount of which is to cover all estimated costs, as reasonably determinable beforehand, that the Commission incurs regarding the supervisory tasks under that Regulation.

Article 43 of the Digital Services Act (DSA) sets out the basic criteria for the determination of the supervisory fee.

First, the overall amount of the annual supervisory fees must cover the amount of the annual costs incurred by the Commission to exercise the supervisory tasks established in the Digital Services Act, and in particular those listed in the DSA, as reasonably estimated beforehand. Such amount must include costs relating to the exercise of the specific powers and tasks of supervision, including investigation, enforcement and monitoring in respect of providers of very large online platforms and very large online search engines pursuant to DSA, costs related to the designation of such platforms and search engines and to the set-up, maintenance and operation of the databases set out under DSA.

Moreover, an individual supervisory fee must be charged annually upon each provider of (one or more) services designated as very large online platform or very large online search engine. In this regard, the individual charge must be proportionate to the number of average monthly active recipients of each designated service in the Union.

Lastly, each supervisory fee must not exceed the ceiling of 0.05% of the worldwide annual net income of the provider of the designated service (or services) in the preceding year.

Regarding the procedure, Article 43 requires the Commission to adopt each year implementing acts setting out the specific annual supervisory fee in respect of each provider of one or more designated services to which the supervisory fee should be charged, by way of Commission implementing decisions establishing the amounts receivable pursuant to Article 98 of the Financial Regulation.

On the basis of these criteria, Article 43(4) of the DSA empowers the Commission to adopt delegated acts to further specify the detailed methodology and procedures for:

- the determination of the estimated costs that the Commission incurs in relation to its supervisory tasks under the DSA;
- the determination of the overall amount of the annual supervisory fee charged to each provider of designated very large online platform or very large online search engine;
- the determination of the maximum overall limit of the annual supervisory fee charged to a provider of designated very large online platform or designated very large online search engine;
- the detailed arrangements necessary to make payments.

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The Delegated Regulation:

- defines the **main categories of costs to be accounted for** in the estimation of costs to be recovered through the supervisory fees, as well as the obligation to deduct or add any surplus or deficit resulting from the report of incurred costs;
- identifies the services that should be subject to the payment of the fee in a given year n;
- specifies the **criteria on the basis of which the basic amount per service must be calculated**. Notably, it defines the adjustment coefficients as well as the formula on the basis of which the overall costs are allocated per service;
- specifies how the overall amount of the supervisory fee is to be calculated, taking into account the application of the maximum overall limit to each provider;
- spells out the **timing for the estimation of costs** in line with the budgetary procedures and the adversarial procedure leading to the adoption of the individual implementing act per provider;
- specifies the currency in which the fee is to be paid and the interest rate applicable in case of missing or late payments;
- specifies the content of the **report** of the Commission to the European Parliament and the Council that shall indicate the costs actually incurred, the fees collected and any surplus/deficit to be accounted for in the following estimation;
- provides for specific rules concerning the estimation of costs to be performed in 2023 and the first report to the European Parliament and the Council.

The delegated act was subject to a four-weeks feedback period on the 'Have Your Say' portal from 22 December 2022 to 19 January 2023. 11 contributions were received.

In general, most respondents focused on some recurring topics, related in particular to the possibility of different or inconsistent methodologies to count active recipients of the services at stake, the reference to profits of the provider, including its possible consolidated dimension, as a suitable metric, and the length of the proceedings to determine the individual fee amounts. Transparency over the expenses to be accounted for, in particular in the initial phase, was also raised.