Meeting of Cabinet Jourova with FB experts on Political Ads

12 July 2021 15.30-17.30

| Participants: Facebook | - |
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| DG JUST: | |
| SG: | |

- Facebook (FCB) presented its world-wide (valid for 125 countries) policy regarding political
 advertising, stressing enforcement and transparency. FCB policies are based on a belief in
 freedom of expression, FCB wants its users to see who is behind the ads and who is trying to
 influence the readers;
- FCB has a new, EU-specific policy regarding ads on social issues, elections or politics which was launched in March 2019;
- All ads appearing on FCB form ad library, where they last for 7 years;
- There is a list of categories on which FCB is requiring more transparency, these are decided region wide — in the EU the lists are defined based on conversations with experts and Eurobarometer. In the EU there are currently 8 such categories (civil and social rights, crime, economy, environmental policy, health, immigration, political values and governance, security and foreign policy);
- These categories change depending on the timing and context, also taking into account elections;
- FCB works systematically with electoral committees in different MS, also regarding black out periods);
- FCB also presented their ad review process. It starts with automated review, the next step (if needed) is human review (millions of ads per day go through this process). Very small percentage are adds with social/political issues (the specific numbers will be provided after the meeting). There is a parallel review process for social/political ads, which involves more human revision than automatic. The review also checks the actor behind the ad (in particular that it is based in the country of the ad) and whether the actor is "authorised";
- Regarding the global authorisation process, FCB informed that since March 2019 there is a
 three step process for placing ads in the EU: step 1- confirm identity of your country, step 2 –
 prepare a disclaimer to be attached to the ad, giving detail of the sponsor and optionally the
 advertiser, step 3 identify issue/electoral/political ad.
- To prove that the actor is based in a MS, FCB asks for and ID or other official document issued by a national government;
- Then there is a creation of a disclaimer. If the advertiser is acting for another organization (in which case one needs to provide organization's details), this is verified. Then the ad can be created.

- Currently, due to 'confirm your identity' function, technically a political ad from f.ex.
 Germany can only run in Germany; Once an ad is established as political then targeting is limited. There is a strict rule regarding being locatable in the country in which you wish to circulate an ad (FCB pings the location). FCB explains that the location requirement is based on the desire to limit foreign interference.
- There is an option for users 'why I am seeing this ad' which explains why a given ad was targeted to them; users can also choose their ad preferences or opt to see fewer political ads;
- **Ad library** is the most comprehensive searchable database of ads which were run on FCB, it contains option of seeing additional details about the ad, when the ad was created etc; all disclaimer information about the ads are being held as well. Ad library includes all active ads. Political ads provide information about sponsor, amounts spent, impressions, some demographics and location of circulation (no specifics about targeting);
- Regarding **targeting**, FCB explained that one cannot target specifically audience of a given page but can target persons with certain interest. Look alike audiences can be used.
- The audience of the ads is chosen by Facebook based on the users previous behaviour (previous engagement, whether the used clicked or got involved with the video etc.)
- In the EU the users can agree (or not) whether they want their political or religious views to be shared with the advertisers (in line with GDPR); there is a general obligation to express consent (for EU users) to use data for ad purposes, also when seeing the ad users are informed why they saw that ad and that they can remove yourself from the list;
- Advertisers can also bring their own data for targeting purposes. In that case, FCB just requires that the advertiser indicate that necessary consents have been obtained;
- The per user auction is then based on the trigger characteristics, then bid x action rate x ad quality (based on machine learning).
- FCB informed that 26 million users visited their transparency and control "products" in a month in the EU. These products include "why am I seeing this ad".
- The action rate is a machine learned estimation of a user's likelihood of interacting in the desired way (click, watch vid, buy something etc), as specified by the advertiser. FB collects data about the political views of its users, including from what they post on their profiles, which FB collects on the basis of consent, and which FB does not share with advertiser, again with consent.
- FCB spoke also about **lessons learned from past elections**. FCB sees more and more influence operations across the world which are being detected, this is why they are working with local partners on the ground (f.ex. for German elections with federal agency for cybersecurity);
- FCB policy evolves around "remove, reduce and inform"; there is a network of 80 independent fact-checkers helping FCB identifying what is misleading or false, there is also a function on FCB labelling content as false and preventing from sharing it;
- In parallel, FCB is connecting people to authoritative information on important issues, such as to prompt people to vote etc. FCB spoke about its transparency policy its users can control how many add they see and they can choose to see fewer add. FCB intends to increase ad transparency and is sensitive to the possibility of advertisers exploiting the internal market to conduct interference activities.
- FCB is of the opinion that for Member State authorities it is difficult to monitor and enforce extra-jurisdictionally under the current patchwork framework.

- In this vein, FCB voiced concerns that it is hard to regulate around many elections happening
 in the MS at the same time and spoke about its challenges ahead of 2019 elections when,
 due to its policy the EU institutions were prevented from carrying out EU wide campaigns).
 FCB said that advertising across the EU is a very complex activity as currently targeting is
 happening country by country. FCB said that there was need for EU wide framework
 regarding political ads;
- Commenting on recent developments on DSA, FCB said they were working with the colegislators and expressed its preference regarding more transparency versus the limitation of ban of microtargeting.

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