

[EU] TikTok to permanently withdraw TikTok Lite rewards programme from the EU

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In April 2024, the European Commission opened proceedings against TikTok (a designated Very Large Online Platform) for its new “Reward Program”, which allows users to earn points which can be exchanged for rewards, including Amazon vouchers, gift cards via PayPal or TikTok's coin currency. The Commission was particularly concerned by the impact of such functionality on minors. According to the latter, the programme could infringe provisions of the Digital Services Act (DSA) on the diligent assessment of risks (particularly in relation to the addictive effect of the programme) and the effective mitigation measures. As a VLOP, TikTok had indeed failed to perform such risk assessment and submit a report to the Commission before launching the new functionalities. For more details about the programme or the opening of proceedings by the Commission, please see IRIS 2024-5:1/7.

Following the formal proceedings opened by the European Commission earlier this year, TikTok finally committed to permanently withdraw the TikTok Lite Rewards Program from the European Union and not to launch any other programme which would circumvent the withdrawal, thereby ensuring compliance with the DSA.

On 5 August, the Commission made the platform's commitments legally binding and closed the proceedings. This decision follows the VLOP's decision to voluntarily suspend the programme right after the Commission had opened the proceedings against it. Any breach of commitments would amount to a breach of the DSA and could, therefore, lead to fines. Margrethe Vestager, Executive Vice-President for a Europe Fit for the Digital Age, emphasised that the Commission “will carefully monitor TikTok's compliance. Today's decision also sends a clear message to the entire social media industry.”

These are the first VLOP commitments accepted by the Commission under the DSA.

Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (Digital Services Act)

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022R2065>

