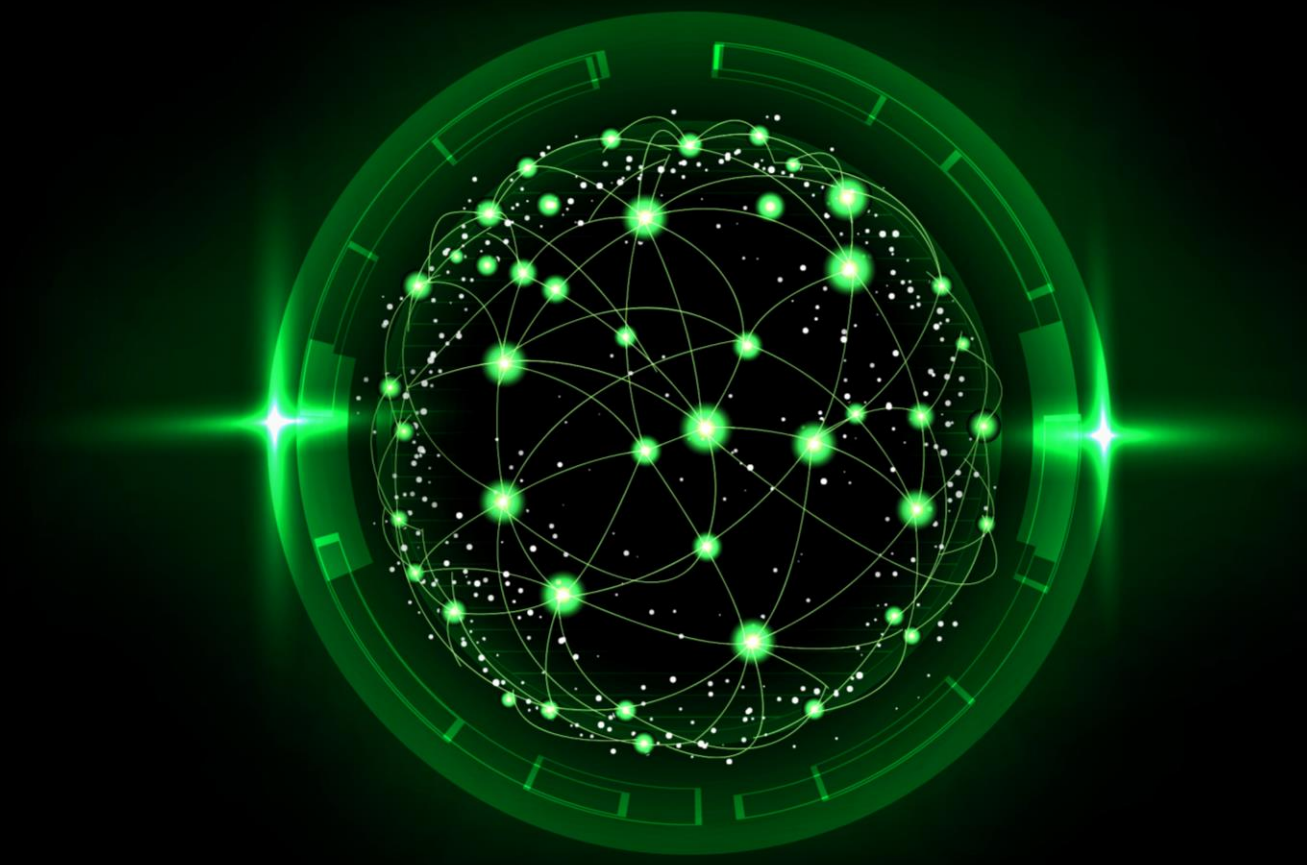


Deloitte.



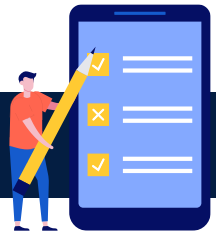
Internet Regulation
Deloitte Ireland



What is Internet Regulation?



We see regulations falling into 12 key topics categorised by their impact on societies, individuals, and corporations:



During the last few decades, the Internet has transformed society, business and our personal lives. But there are concerns about its negative impacts, and there are many global efforts underway to better govern and regulate the Internet.

The speed of this growth in scaling up within Internet Companies has resulted in a regulatory and societal response to match centred on ensuring that the internet, and most importantly, its users, are not exploited.

Subsequently we are seeing a global wave of regulation and in order to successfully ride this wave, it is now that organisations need to get ahead of the change that is required.

SOCIETAL TOPICS	INDIVIDUAL TOPICS	CORPORATE TOPICS
Competition	Privacy	Integrity
Politics	Behaviour	Copyright
Rights	Children	Taxation
Access	Content	Security

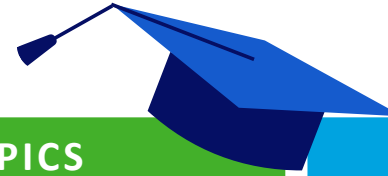


“Some have talked about the General Data Protection Regulation (GDPR) transformation as a model for new laws. But the next decade is likely to see a hundred new GDPR-scale laws globally, across all Internet Regulation Topics. A piecemeal approach won’t work — there will be a constant flow of new rules to comply with.”

Nick Seeber, Global Internet Regulation Lead

Our Internet Regulation topic landscape

Deloitte has developed a framework which spans the broad range of these key topics relating to current or potential future regulation of the Internet



SOCIETAL TOPICS

COMPETITION

- Promoting competition including data sharing
- Enforcement of existing competition laws
- Interactions with business stakeholders
- Market transparency

POLITICS

- Election interference
- Political use (and misuse) of internet tools
- Misinformation & disinformation
- Inequality, wealth and social justice

RIGHTS

- Barriers to freedom of expression
- Legal process impacts
- Discrimination, bias and hate
- Human trafficking and other rights-violating enabled activities

ACCESS

- Growth of the Metaverse and VR/AR
- Digital divide and barriers to digital inclusion
- Digital sovereignty
- Archiving the internet's historical record



INDIVIDUAL TOPICS

PRIVACY & AI

- Data consent and collection
- Advertising-funded business models and identity value exchange online
- Afterlife and deceased users' family rights
- Infringements on personal autonomy

BEHAVIOUR

- Harassment, bullying and antisocial behaviour
- Mental and physical health issues
- Internet addiction and competition for attention
- Filter Bubbles and partisan media

CHILDREN

- Adult and age-appropriate content
- Prevention of child sexual exploitation
- In-app purchases and game addiction

CONTENT

- Harmful, controversial and intolerant content, conspiracy theories
- Abhorrent Violent Material and illegal content
- Digital content requirements, rights, remedies

CORPORATE TOPICS

INTEGRITY

- Brand safety and online reputation
- Advertising fraud and media auditing
- Consumer protection and enabling fraud
- E-commerce and digital payments regulations

OWNERSHIP

- Challenges of web3, crypto and NFTs
- Rights and royalties tracking and distribution
- Preventing misuse of intellectual property
- Content distribution and value exchange

TAXATION

- Digital services taxes and other national taxes
- Transnational change in taxes on digital services
- Impacts on taxes on consumption and trade

SECURITY

- Cybersecurity threats
- E crime
- End-to-end encryption and law enforcement
- Dark Web and secret digital communication
- Security of consumer IoT products

The Irish Landscape: Who is impacted?

Ireland is a hub for start-ups and large tech headquarters and while technology platforms are the primary intended targets of many of these new regulations, there are many more digital native companies that will be impacted by this wave. A useful way to view the impact breadth is to consider the different internet archetypes that exist.

Internet Archetypes

CONNECTING

- Instant messaging
- Social networks
- Internet search
- Email newsletter platforms

WATCHING, LISTENING AND READING

- Video sharing
- Streaming video on demand
- Streaming audio
- News aggregators

TRADING

- Ad networks
- Digital payments
- Online marketplaces
- Map platforms
- Sharing and gig economy

ENABLING

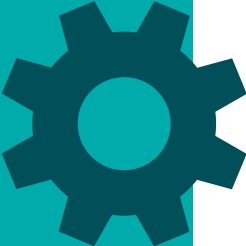
- Operating systems
- App stores
- Cloud computing
- Internet browsers



Additionally, the reach of digital business and the implications of Internet Company regulation goes beyond the world of 'Big Tech'.

Companies such as:

- Utilities and Broadcasting services
- Life Sciences and Healthcare providers
- Retailers and eCommerce
- Manufacturers



are all evolving new business models that imply as much reliance on customer and business environment data as any Internet Company.

These changes in the structure of the corporate economy together with the increasing size, scope and influence of Big Tech companies have alerted policymakers and their regulatory offices to the need for a new kind of regulation.

Internet Regulation: Brings Benefits and Challenges

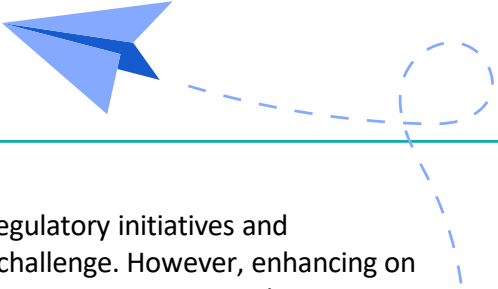
Key Benefits:

- This wave of regulation signifies a move away from having to self-regulate and be held accountable to undefined standards by governments
- Internet Companies can learn from how other industries have managed recent regulatory waves (e.g. GDPR, 2008 Financial Crisis)
- Internet Companies can take the lead on regulatory compliance with building trust and protecting users at the cornerstone of this



Key Challenges:

- The volume and variety of regulatory initiatives and jurisdictions is a significant challenge. However, enhancing on the as-is, and building from existing structures and technologies can help overcome this
- Affected organisations will have to rethink the structure of their platforms and ecosystems, as well as their culture



Despite the challenges, this could also be a golden opportunity for impacted companies. The opportunity is to rebuild their brands around the three new concepts of **trust, safety and competition**, and to deploy their mobility, speed and technological capacity to make proactive compliance a competitive advantage.

TRUST

Erosion in trust is most likely to be felt in the areas of governance and transparency, user data and advertising, accuracy of information on goods and services and the inherent trust in the technology itself (for example algorithmic bias in AI).



SAFETY

Risks range from harmful content, the sale of dangerous goods and wider societal impact, for example misinformation and political interference. Mitigating these safety risks is becoming the price of admission for companies that want to preserve their licence to operate.



COMPETITION

Market dominance and business practices of Internet companies in the market has attracted regulators' attention. Regulators are now arming themselves with extraordinary powers to rebalance competition and redefine unfair business practices for the internet age.

Responding for Competitive Advantage: Our Services

Deloitte can ensure that achieving compliance also delivers competitive advantage. We partner with our clients on a strategic and risk advisory perspective, on model transformation, change management and cultural shift.

01 Trust by design
Provide support to line-of-business functions to ensure trust and safety are embedded by design.

02 Regulation Specific Advisory Services
We can support clients with specific elements of regulatory implementation across multiple regulations (including EU DMA, EU DSA, EU AI Act and Online Safety and Media Regulation) including scalable control frameworks.

03 Operational Model Design & Implementation
Supporting the initial design, requirements gathering, and end-to-end delivery of the clients target operating model to implement and embed a holistic regulatory strategy, optimise new and existing processes and reporting requirements whilst ensuring operational and compliance readiness.

04 Change Management
Supports regulatory and operational transformation through the design of a change management strategy to understand and address the impact of new regulations across teams, functions and customers ensuring effective communication, training, business readiness and change implementation.



05 Internet Regulation Strategy
Support organisations to upskill C-suite and develop their Internet Regulation strategy including strategic immersion labs, risk appetite assessments, on model and implementation roadmaps.

06 Systemic Risk Assessment
We can support the assessment of systemic risk across products and services including designing the taxonomies, methodology, questionnaires and scoring of systemic risk.

07 Organisational Culture Change
Working with cross functional teams to assess and understand organisational culture. Using our bespoke CulturePath™ diagnostic and qualitative methods to develop people practices and organisational behaviours to shape culture to become an enabler of regulatory transformation.

08 Project Management & PMO
Multi-discipline project management via Agile and Waterfall methodologies. Help set project ambition & agenda, lead multidisciplinary teams to design, optimise and implement regulatory transformation. Key focus on collaboration, business readiness and acts as the link between stakeholders, risk, compliance and legal functions.

Deloitte Ireland Internet Regulation Team

We are happy to help you identify your approach to managing this regulatory wave and support you with designing tangible next steps.

Contact Us



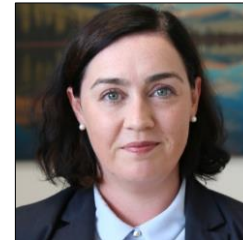
COLM MCDONNELL

PARTNER

Risk Advisory

Dublin

Email: cmcdonnell@deloitte.ie



NICOLA FLANNERY

DIRECTOR

Data Privacy & Internet Regulation

Dublin

Email: niflannery@deloitte.ie



SOPHIE VINTI

SENIOR MANAGER

Internet Regulation

Dublin

Email: svinti@deloitte.ie



AMY PUGH

DIRECTOR

Operations Transformation

Dublin

Email: apugh@deloitte.ie



At Deloitte, we make an impact that matters for our clients, our people, our profession, and in the wider society by delivering the solutions and insights they need to address their most complex business challenges. As the largest global professional services and consulting network, with over 312,000 professionals in more than 150 countries, we bring worldclass capabilities and high-quality services to our clients. In Ireland, Deloitte has over 3,000 people providing audit, tax, consulting, and corporate finance services to public and private clients spanning multiple industries. Our people have the leadership capabilities, experience and insight to collaborate with clients so they can move forward with confidence.

This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte Ireland LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte Ireland LLP is a limited liability partnership registered in Northern Ireland with registered number NC1499 and its registered office at 19 Bedford Street, Belfast BT2 7EJ, Northern Ireland. Deloitte Ireland LLP is the Ireland affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.