

UPDATES

EU Consults on Digital Fairness Act: Big Changes Ahead for Consumer-Facing Platforms

July 29, 2025

The European Commission (Commission) has launched a <u>public consultation</u> on a proposed new law — the Digital Fairness Act (DFA) — aimed at strengthening consumer protection in digital markets. The goal is to fill perceived regulatory "gaps" left by recent EU digital regulations, including the <u>Digital</u> <u>Services Act</u> (DSA) and <u>Digital Markets Act</u> (DMA).

If adopted, the DFA would become a new centerpiece for EU consumer protection law in digital markets, having significant implications on how business-to-consumer (B2C) firms engage with consumers online, including interface design, pricing strategies, personalizing content, managing subscriptions, and digital marketing.

The consultation is open until **October 9, 2025**, and the Commission has invited feedback on whether new rules are needed and what they should look like.

In parallel, the Commission is running a <u>public consultation</u> on its consumer policy strategy for 2025–30, including with respect to digital fairness and consumer law enforcement, which is open until **August 31, 2025**.

These developments are part of a broader European shift toward tougher digital consumer protection, echoed by the UK's newly adopted <u>Digital Markets, Competition</u>, and Consumers Act, which introduces similar rules around pricing, subscriptions, and enforcement powers for the UK Competition and Markets Authority.

What Are the EU's Key Focus Areas?

The Commission has identified six priority areas for action, targeting the full consumer journey from design to delivery. Among the proposed measures:

- 1. **Banning dark patterns**. Prohibiting "dark patterns," which are deceptive design elements used in websites and apps, such as misleading pop-ups, pre-checked boxes, or hidden opt-outs.
- 2. **Ensuring transparent pricing**. Prohibiting "drip pricing," which is where an initial headline price does not include all mandatory charges, and misleading "from €X" offers; the total price must be shown clearly upfront.

- Safeguarding vulnerable users. Restricting the targeting of vulnerable users (e.g., minors or individuals in financial difficulty) and possibly introducing default opt-outs for certain user profiles as well as other internal safeguards.
- 4. **Tackling addictive design**. Introducing rules to address the "gamification" of digital products, such as reward loops and countdowns, especially for minors.
- 5. **Regulating marketing by influencers**. Introducing stricter disclosure standards for influencers, for example, all paid posts must be clearly labeled in local language.
- 6. **Simplifying contract management**. Introducing one-click cancellation rights, easy-to-understand renewals, and greater transparency on the use of chatbots and auto-renewals.

Who Will Likely Be Affected?

The DFA is expected to apply broadly across the B2C digital economy, with particular relevance for businesses that rely on online interfaces, personalization, or recurring consumer relationships. Any business that uses personalized offers, automated subscriptions, dynamic pricing, or design features that steer consumer choices could be directly affected by the new rules.

Sectors likely to be most affected include e-commerce and digital platforms, streaming and subscription services, telecoms and connectivity providers, airlines and travel platforms, ride-hailing and delivery apps, online pharmacies, wellness, healthcare and fintech apps, app stores, gaming services, and buy-now-pay-later (BNPL) providers.

What Happens Next?

- Now October 9, 2025, public consultation period: The Commission is collecting input from companies, consumer groups, and other stakeholders through an open consultation process.
 This is the key moment for industry to shape the scope and structure of the proposed rules before they are drafted.
- Q2 2026, final impact assessment and summary of consultation: The Commission will publish its final analysis of the consultation results, evaluating the evidence for new legislation and outlining its preferred policy direction.
- Q3 2026, draft legislative proposal: Based on the consultation and the resulting impact assessment, the Commission is expected to publish a formal draft of the new Digital Fairness Act, which will include proposed legal obligations for B2C digital businesses.
- 2026–27, EU legislative process: The draft law will then be reviewed and negotiated by the European Parliament and Council, typically through a multistage process (committee review, amendments, trilogues). Final adoption could take place in late 2027, with implementation deadlines to follow.

Opportunity to Engage

The consultation offers an opportunity for engagement to help shape the scope and design of the likely legislative proposal. Participants in the consultation will have the best chance of ensuring their business models are accurately reflected and understood, and participation may influence the practical impact of the proposal (e.g., how fairness or transparency are demonstrated), and help regulators to avoid

unintended consequences.

How Can We Help?

Sidley has extensive experience in advising clients on tech-related consumer protection regulation in the EU including the DSA, DMA, and Artificial Intelligence Act. We regularly support clients in identifying and prioritizing areas of risk exposure and potential opportunities under legislative proposals.

If you think this may affect aspects of your platform or commercial model, feel free to get in touch. Our team would be happy to help you explore how the new rules could apply.

CONTACTS

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