Meeting: TCF Governance Board

Date and Time: Wednesday 8 March 2023 at 15:00 (CET)

Venue: IAB Europe, Ave des Arts 44, Bruxelles

Present: Christer Ljones (Schibsted Marketing Services) (Chair)

Karsten Rieke (Criteo)   Ben Humphry (Huawei)
Romain Gauthier (Didomi)   Gareth Burkhill-Howarth (WPP)
Jaakko Kuivalainen (Sanoma)   Arne Steinmetz (RTL Group/AdAlliance)
Thomas Peruzzi (Virtual Minds)   Jean-Marc Vidal (TF1)
Colin O'Malley (Integral Ad Sciences)   Markus Rhul (Publicis Groupe)
Benoit Oberle (Sirdata)   Ben Barokas (Sourcepoint)

Apologies:
Jochem Schlosser (Adform)
Robert Blanck (Axel Springer)

Board Observer:
Leigh Freund (NAI)
Rowena Lamb (Tech Lab)

In attendance:

Townsend Feehan (CEO, IAB Europe, Managing Organisation)
Ninon Vagner (Director Privacy & Compliance, IAB Europe, Managing Organisation)

Anne Goodman – Secretariat (IAB Europe)

<u>Chair</u>
The Chair opened the meeting reminded members of their responsibility as Board members of the TCF Governance Board for holding all TCF instances to account and ensuring that the correct process (s) are followed by the SG and MO, through independent oversight and constructive challenge (see principles of good governance here).

Action Items Q4 meeting

There were 2 action items reference progression of the Belgium Data Protection Authority (APD) ruling:

Action: The Board asked if the MO could convene a Town Hall in Q1 2023 to better inform the market of the referral to the European Court of Justice by the Belgian Market Court – COMPLETED 2 informational calls convened in January 2023

Action: In addition (on the same matter), the Board asked that the MO present a comprehensive update to the SG meeting December 14 – COMPLETED

There was a third action item reference the work of the DSA Taskforce
Action: The Chair asked if an update on the work of this group could be presented at the Q1 Board meeting. Prior to the meeting it was decided to defer the update to the Q2 meeting.

Steering Group (SG) update (PAPER 2_28-02-23) for noting – The Vice Chair of the SG Thomas Peruzzi presented the update from the SG and its working groups (WGs) on recent TCF developments that the SG oversaw. The update circulated to the Board prior to the meeting focused on the significant work of the TCF working groups that were supporting the implementation of the APD Action Plan: the Policy Working Group; and the Framework Signals Working Group (FSWG).

Policy Working Group – it was noted that the working group had undertaken good discussion across all areas of the action plan and had not encountered any critical "red line" topics
DPA Outreach Group – it was confirmed that the next meeting of this working group was March 20.

Managing Organisation (MO) update (PAPER 3_28-02-23) for noting –The CEO of the Managing Organisation, Townsend Feehan, presented the update from the MO. The update had been circulated to the Board prior to the meeting.

APD Update
The MO provided an update on the APD timeline noting that the APD had informed the Market Court that it had voluntary suspended the validation of the implementation of the action plan (validated January 23). In the meantime, timelines were being updated accordingly with the likely outcome that the release of the next iteration of the TCF - incorporating a number of actions from the action plan that are not impacted by the ongoing referral to the European Court of Justice - could be timed for mid-May.

GVL
Following the update on the annual renewal of vendor registration the meeting asked if there was any pattern reflected in the non-renewals. The MO confirmed that it had not seen any pattern, though in each case of non-renewal, the MO is diligent in inquiring about the reason(s) for the non-renewal.

The Board asked what action had been taken in response to the expected deprecation of the third-party cookie by Chrome (2024). MO confirmed that it had established a "Third-Party Cookie Taskforce", but due to lowering levels of engagement this group had been folded into the IAB Europe Programmatic Trading Committee (PTC). *NOTE:* Governance Board members interested in following the PTC's work on this can reach out to T. Feehan (feehan@iabeurope.eu).

Belgium Data Protection Authority (APD) (PAPER 4 06-03-23) – the Managing Organisation presented a summary of paper 4 that described the TCF Action Plan implementation *Action Plan work stream V - Technical & Organisation Monitoring Measures* highlighting 4 workstreams for TCF Governance oversight.

- *V.1 Policy & Technical Specifications control catalogue for TCF participants*
- *V.2 Objective sampling methodology and monthly thresholds for objective and regular auditing of TCF participants*
- *V.3 Compliance questionnaires for vendor validation*
- *V.7 Stricter and differentiated enforcement procedures and sanctions for instances of non-compliance*

The MO (N.Vagner) presentation covered the measures highlighted below and the following points are noted from the ensuing Board discussion.

Objective controls for auditing & monitoring

Strict vetting process for participating companies
V.3 It was confirmed that it was incumbent on all vendors to ensure that the compliance questionnaire, which vendors complete at registration before they can be added to the GVL, was always kept up to date and reviewed annually.
Existing vendors will have 2 months to complete the questionnaire.

Effective technical and organisational monitoring measures to guarantee the integrity and confidentially of the TC String
V.6 It was confirmed that any complaints made via the dedicated form could be made anonymously but that this approach has the disadvantage that the MO is not able follow up with questions or update on the status, which can be helpful.
V.5 Board raised a question about the automated verifications of the deployment of implementations in app environments. The MO confirmed that the web would remain the priority but agreed that scaling to include app environments (currently monitored manually) has been included in the roadmap.
V.7 The MO confirmed that the introduction of "stricter and differentiated" procedures would likely give rise to more sanctions and as and when these occurred, an updated report would be provided to the Board. The Board noted that enforcement would move from calendar to business days.

Risk Management oversight -the MO updated the Board on the "risk registry" tool used by the IAB Europe Board to identify and manage risk, and agreed that any items relating to the TCF should be shared with the Board for oversight and commentary. Similarly, the Governance Board can draw the attention of the IAB Europe Board to risks that the latter may not have identified.

Action: MO to circulate to the Board before the Q2 meeting

Broadening stakeholder engagement in TCF: the advertiser case (PAPER 5_08-03-23) – presented by the Vice Chair Colin O'Malley
It was noted that TCF was not currently configured well to cover advertisers acting in the role of "vendors", but that advertisers were increasingly becoming engage in the activation of their collected first party data. It was agreed that there was a need for a scoping exercise that looked at increasing understanding of advertiser interest in GDPR (likely to be different from publishers). That advertisers were "leaning in" to gain greater understanding of compliance particularly as the ecosystem is becoming increasingly strict regarding the interaction with users. This is potentially increasing the risk for advertisers therefore it was important to understand what incentives could be employed to encourage greater participation and engagement and what balance was necessary between incentives and friction

Key questions raised:
How are advertisers currently leveraging the TCF? Is this via third-party vendors? Better understanding of the use case are we trying to solve? How this differs from advertisers listing in the GVL?
Is retail media possibly a good starting point to understand advertiser interaction with TCF?
Can research be instigated by IAB Europe and Tech Lab into advertiser engagement?
Is the pending Digital Services Act (DSA) that will see the population of user-facing information disclosures required by Article 26 - previously article 24 an opportunity to initiate the conversation with advertisers?

Action: MO to try and advance discussion with advertisers to better understand the use case that would detail advertiser requirement of the TCF.
Action: MO to look at the opportunity to give a brief update to the Board on work by IAB Europe's DSA Ads Transparency Taskforce to standardise the collection, formatting and transport of the data required to populate the user-facing information disclosures required by Article 26 DSA. The MO had previously confirmed that "…the approach that the Taskforce was taking would enable CMPs to play a role in the provision of the user-facing disclosures and potentially of some degree of user choice about the parameters used to determine why a particular ad is delivered at a particular time…." (Minutes, Q4 Board meeting, December 2022)
Action: MO to encourage Board members, who are currently working with advertisers, to ascertain if advertisers could join the Q2 meeting.

Observers (closed item)
The secretariat proposed that it was necessary to keep this a closed item which the Board agreed enabling the attending observers to contribute to the discussion
- Consideration of the term of the industry association observers – the Board agreed that the statues of governance should be amended to record that the term of the observers should follow that of the Board, so observers are appointed at the same time as the Board members are appointed *(Note: the term is 2 years in line with the Board)*

- Consideration of the parameters of attendance agreed that an attendance record should be kept and monitored and statutes amended to impose minimum attendance requirements

Action: Secretariat to draft an update to statutes of governance for Board approval (noting that presentation to IAB Europe Board will follow)

AOB
There was no other business proposed by the Board members.

Next meeting
The next meeting of the Board will be Q2 2023 and it was proposed that this should take place w/c May 15 (it was noted that the NAI Summit is scheduled for 17/18 May).

In line with the meeting cadence the Q2 meeting will be online.

Close
The Chair thanked the board members for attending and for their invaluable contributions to the discussion in the meeting.

The meeting closed at 17:15 CET