

Key points for consumers

EU-KOREA DIGITAL TRADE AGREEMENT

Bridging digital markets for the benefit of consumers

Why it matters to consumers

Consumers increasingly shop online across borders. The Digital Trade Agreement between the EU and Korea shapes how their rights are protected when doing so, from data privacy and product safety to access to redress in case of issues. While this deal aims to strengthen trust in digital trade, attention needs to be paid to ensure strong and consistent consumer protection on both sides.

In March 2025, the EU and Korea [concluded](#) negotiations on a [Digital Trade Agreement](#) that complements the existing [Digital Partnership](#) framework. The agreement includes binding rules to facilitate digital trade in goods and services covering issues such as data flows, personal data protection, source code, online consumer protection, and spam. Several of these provisions can contribute positively to building consumer trust in the digital marketplace, both in the EU and in Korea. However, some elements raise concern as they could limit governments' ability to enforce digital policies in the public interest.

This paper summarises **BEUC's and Consumers Korea's common position** on the negotiated deal. The table assesses the proposals with the following symbols, illustrating whether BEUC and Consumers Korea:



support the agreement



seek improvement



consider problematic

CONTENT OF THE AGREEMENT

BEUC & CONSUMER KOREA'S POSITION

ONLINE CONSUMER PROTECTION



We welcome the agreement's commitment to protecting consumers from manipulative practices online. The text guarantees essential rights to information and safety, and prohibits misleading, fraudulent, and deceptive conduct. These provisions can help shield consumers from false claims or a lack of transparency. We also support the inclusion of redress mechanisms, which ensure that consumers can assert their rights if problems arise when buying across borders.

SPAM



The agreement strongly protects consumers against written spam with clear options to opt out. We recognise that trade policy cannot go beyond what is already in place at the domestic level. Still, the agreement could be improved by covering unsolicited communication more broadly, by including nuisance calls, for example. This would help tackle ongoing problems such as telemarketing and ensure the rules remain effective as technologies evolve.

COOPERATION ON REGULATORY ISSUES REGARDING DIGITAL TRADE



We commend the efforts to include a legal basis for voluntary regulatory cooperation in this digital agreement, as well as the strong emphasis on consumer protection among the issues addressed. The agreement will allow regulators to work together on consumer protection by sharing information and best practices, helping them respond more effectively to challenges. This approach benefits both regulators and consumers, who face similar issues in the digital environment across both regions.

FINANCIAL SCAMS



The agreement lacks strong provisions on financial scams, even though there is a recurring trend of increasing losses for consumers across the globe. In 2024 alone, the monetary value of scams was estimated at USD 1.03 trillion¹, equivalent to around 1 per cent of global GDP. The threat environment is becoming more complex, as criminals use a growing number of platforms and tools, with generative artificial intelligence making deception easier to carry out and harder to detect. The EU and Korea should seize the opportunity to cooperate on this issue to protect consumers on both sides and explore this type of clause in their respective future trade agreements.

RIGHT TO REGULATE



It is encouraging to see key issues such as consumer protection, safety, environmental preservation, and privacy and data protection recognised as legitimate policy objectives. However, we are concerned about the ambiguity surrounding the notion of 'legitimate policy objective,' particularly regarding its potential legal implications within World Trade Organisation (WTO) frameworks. Historically, similar provisions, such as the GATS and GATT general exceptions², have been interpreted in ways that limit governments' ability to enact public policy measures aimed at protecting consumers, preserving the environment, and addressing other critical issues. This restrictive interpretation often arises from the WTO panel's strict application of the necessity test³, which assesses whether such measures are essential and if less restrictive alternatives are available. Consequently, the threshold to prove compliance with these exceptions has proven extremely difficult to meet, resulting in only two successful applications out of nearly 48 cases.

DATA FLOWS, DATA PROTECTION AND PRIVACY



The EU and Korea should have refrained from including this clause, as there is already a reciprocal framework for seamless personal data transfers between the two jurisdictions. Moreover, this clause raises concerns for consumer organisations in both Korea and the EU, as it could bring legal uncertainty regarding the risk of a trade dispute over digital rights. While enabling the free flow of data is important for digital trade, it should not come at the expense of strong privacy and personal data protections.

ARTIFICIAL INTELLIGENCE: ACCESS TO SOURCE CODE



Without easy access to source code, investigations into fraudulent practices and security vulnerabilities could be obstructed, compromising consumer safety and trust. Consumer organisations in both Korea and the EU are concerned that the way this provision has been drafted may limit regulatory bodies' ability to ensure that companies comply with domestic digital laws. The agreement prevents governments from forcing companies to hand over or give access to their software source code to sell, distribute, or use their products. This clause is meant to prevent misuse and protect corporate intellectual property. That being said, companies already benefit from a set of protections, like intellectual property rights and trade secrets. This new layer of protection for companies could come at the expense of the enforcement of domestic laws and is therefore disproportionate to the intended goal.

¹ <https://www.gasa.org/research>

² The General Agreement on Trade in Services (GATS), specifically Article XIV; General Agreement on Tariffs and Trade (GATT), specifically Article XX

³ This test is commonly applied when countries invoke exceptions to WTO obligations.