

CONSUMER VIEW

International negotiations on e-commerce (digital trade) at the WTO

CONTEXT

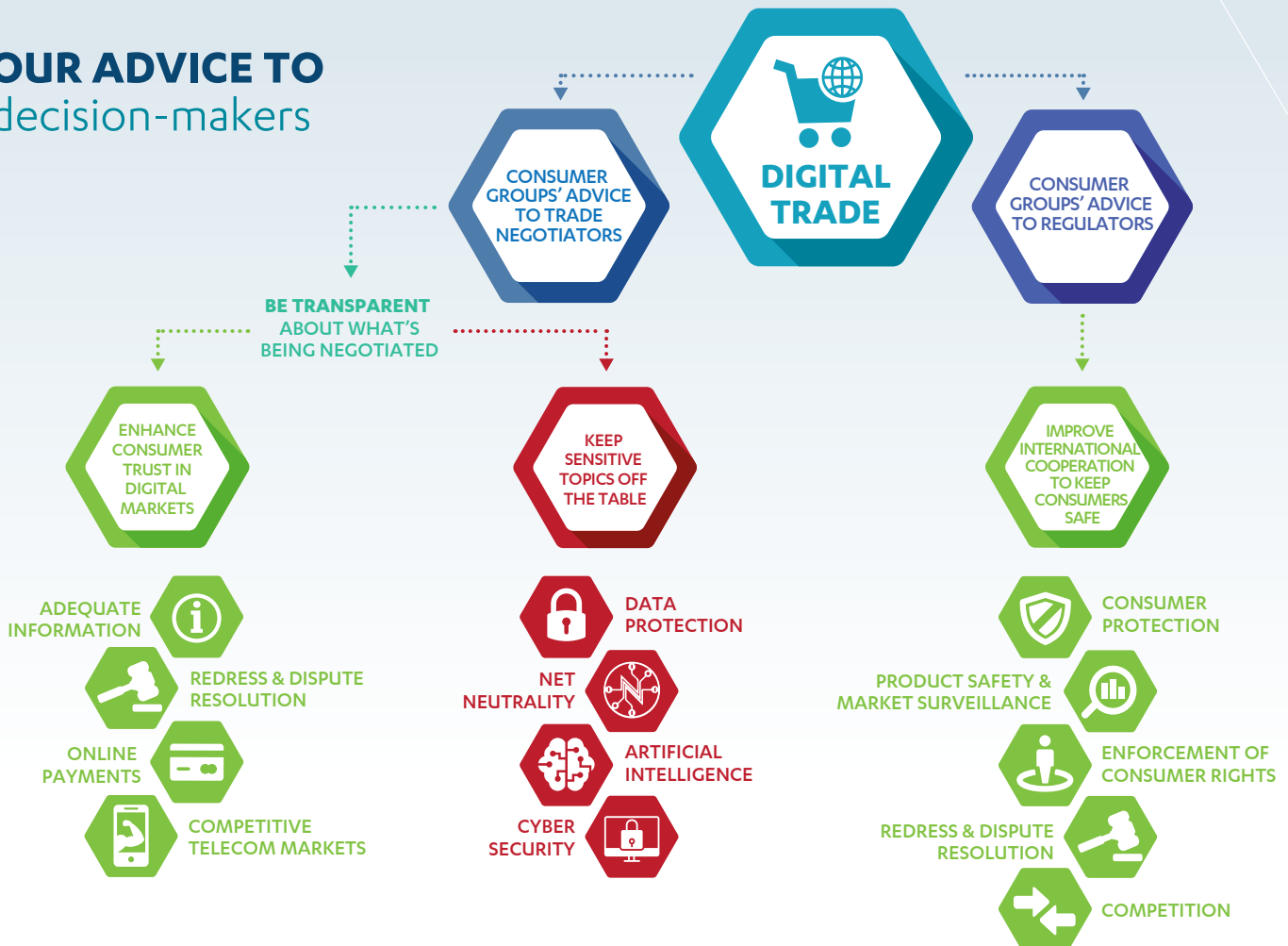
Buying goods and services on the global online market is increasingly popular. But when Europeans buy online from traders outside the EU they can encounter various problems. For example, it may be difficult to return a product. Rules for dealing with an undelivered or faulty product can also differ. And a consumer may face unexpected custom fees. These are challenges that consumer groups think can be addressed at the global scale.

WHAT'S HAPPENING ON DIGITAL TRADE at the World Trade Organization (WTO)?

The EU and 75 other members of the WTO are part of trade negotiations about 'e-commerce'. Now the meaning of 'e-commerce' at the WTO goes well beyond online shopping. It rather refers to digital trade, which ranges from telecom markets to data flows and trendy issues such as cybersecurity, net neutrality and algorithms.

The result of these WTO negotiations could have a direct impact on people. Consumer groups are in favour of negotiations that help build people's trust in online & telecom markets. But trade talks must not limit how the EU, or its Member States, can regulate a vast array of digital topics – especially as Europe lacks state-of-the-art laws on some of them.

OUR ADVICE TO decision-makers



BE TRANSPARENT ABOUT WHAT'S BEING NEGOTIATED

Consumer groups welcome the European Commission's decision to publish its trade proposals, as well as information and reports about negotiating rounds. We urge other WTO countries to follow this best practice and to meaningfully engage with civil society.

ENHANCE CONSUMER TRUST IN GLOBAL MARKETS



Secure a minimum floor of consumer protection

Countries should recognise the need to have consumer protections in place and give an indicative list of the most important ones. Examples are a) information about the seller and total costs; b) security of online payments; and c) easy access to redress and dispute settlement.



Create a more competitive telecoms market through competition rules

This can lead to more affordable prices for consumers when calling, texting, using data and roaming.

KEEP SENSITIVE TOPICS OFF THE TABLE, SO THE EU CAN REGULATE IN THE CONSUMER INTEREST



Cross-border data flows and data protection

One cannot dissociate personal data protection from data transfers. Therefore, negotiating on cross border data flows ultimately means fundamental data protection and privacy rights are part of the bargain. The EU took a clear stand in January 2018 that its laws in this regard are not up for debate and stronger safeguards are imperative. If this topic is to nevertheless be discussed, the EU should stick to this position as a red line.



Net neutrality

The EU wants to promote the principle of an open and neutral internet for users in these talks. It should be careful as several countries already have trade rules that are not in line with the EU's vision on net neutrality.



Artificial intelligence

Some companies are lobbying the EU for rules that would prevent them from having to disclose their source codes and algorithms when operating in foreign markets, such as Russia and China. Yet these same rules could hamper (European) authorities from checking whether an algorithm complies with the law and does not discriminate against consumers. As a principle, auditing of automated decision-making processes should always be possible.



Cybersecurity

Many connected products are manufactured today without basic security features. Some countries in the WTO digital trade talks wish to touch upon cybersecurity. This could be valuable if the idea were to prevent incidents. Recent agreements, such as the North American USMCA, however stipulate that company self-regulation should be preferred over regulation. However, evidence shows self-regulation is not working as consumers are not safe in the current world of connected products.

IMPROVE INTERNATIONAL COOPERATION TO KEEP CONSUMERS SAFE

Trade negotiations are just a piece of the puzzle. A big challenge in e-commerce today is to prevent consumers from being harmed by dangerous products. Authorities should exchange information and work together to better protect consumers. This applies to consumer protection, market surveillance, competition, enforcement, redress and dispute resolution.



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The Consumer Voice in Europe

