

The Consumer Voice in Europe

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Subject: The consumer mission letter for the internal market

Dear Commissioner,

On behalf of The European Consumer Organisation (BEUC), the organisation representing 45 national consumer groups from 32 European countries, we would like to congratulate you on your appointment.

To support you in this important task, we would like to present our ideas on how best to advance consumers' interests in your capacity as Commissioner for Internal Market, notably in terms of ensuring the smooth functioning of the Single Market, ensuring that Europe's enduring values are respected as new digital technologies develop and leading the Commission's work on a coordinated European approach on artificial intelligence.

Ensuring the smooth functioning of the Single Market

For Europe's 500 million consumers, the EU's Single Market is one of the Union's greatest achievements in terms of increased choice of goods and services and better value for money. Your responsibility to ensure the smooth functioning of the Single Market is therefore a crucial way to meet the objectives of the new Commission to strengthen the links between people and the EU institutions that serve them and to narrow the gap between people's expectations and reality, as part of the Commission's efforts related to "Bringing Europe closer to home".

Europe's consumers are entitled to expect that their rights to take full advantage of the Single Market will be applied and enforced in practice. BEUC therefore particularly welcomes the fact that you are due to focus on the **implementation and enforcement of Single Market rules** at the European, national, regional and local levels and to **tackle remaining barriers to the free movement of goods and services** within the Single Market. This focus should include faster and more comprehensive use of infringement procedures against Member States for late, incomplete or incorrect implementation of EU rules. Another important requirement is for the Commission's Better Regulation requirements for new legislation to include enforcement mechanisms and possibilities for redress as part of the criteria to be met.

Better enforcement will require not only much improved coordination between national authorities but also improved coordination between different types of authorities where infringements fall within the jurisdiction of more than one authority.

With regards to the remaining barriers to the free movement of goods and services, we urge you to finally put an end to **geoblocking in audiovisual services**.

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Protecting consumers on online platforms

You are also due to help to **remove any artificial distinctions between new digital markets and more established markets**. One important aspect of this is to ensure that levels of consumer protection are equivalent irrespective of whether purchases are made online or from 'bricks and mortar' retail outlets. Additional steps are required to address the challenges of **online platforms**. The upcoming **Digital Services Act** is an opportunity to ensure that consumers are adequately protected when they buy goods and services online. For example, a recent [policy report by our UK member Which?](#) found popular online marketplaces failing to take basic steps to stop listing consumer products for sale that have been declared unsafe such as [toys, children's car seats, chargers, clothing, smoke alarms and CO detectors](#). Similar evidence is available from consumer organisations' research and testing in the Netherlands ([Consumentenbond](#)), Denmark ([Forbrugerradet Taenk](#)), Belgium, Italy and Germany. We want to see platforms take responsibility for this type of behaviour and regulatory intervention is necessary to make that happen.

Making data work for consumers

In Europe's increasingly digitalised economy, data is a crucially important component to develop innovative products and services. However, consumers often cannot control what happens with the data that companies gather and process about them. Thus, a healthy digital ecosystem requires a **consumer-centric approach to data governance** that fosters competition, consumer choice and valuable innovation.

Determining who has access to data, including consumers' personal information, and under which circumstances and conditions it can be used, are key elements for achieving a healthy and competitive digital economy that delivers benefits to consumers. As data is often an indispensable input for companies to compete on their merits, it is essential to ensure this does not result in a race to the bottom that undermines data protection and consumer protection laws and leads to the further consolidation of privacy-intrusive business models.

European data policy must ensure that consumers are the main beneficiaries of the data they generate while stimulating innovation. We urge you to develop an EU policy on **data access and control** that enables innovation and consumer choice by tackling data concentration and reducing the risk that consumers are exploited and locked in. This pro-competition approach should come into play where specific market failures or specific needs are identified, stimulating safe data sharing whilst fully respecting the rights of consumers under the GDPR and ensuring that consumers remain in control of their data.

Binding rules on cybersecurity

With the Internet of Things, the number of connected devices and digital services is skyrocketing and interconnectivity between products affects all sectors, including transport, health, banking and energy. In this context, cybersecurity has become a major concern for consumers. Connected devices available in the EU market often lack basic cybersecurity protections, putting consumers at risk. For example, our Danish member Forbrugerrådet Tænk recently uncovered [security flaws in smart door bells](#). Investigations from our Belgian member, [Test Achats/Test-Ankoop](#), our UK member [Which?](#) and our Norwegian Member [Forbrukerrådet](#) have shown there are problems with many different connected products, including products intended for children such as connected toys and smartwatches.

As part of your work on **building a real Single Market for cybersecurity**, we urge you to propose a **horizontal legal framework** which establishes mandatory **minimum security requirements** for all connected consumer products and associated services. This law must ensure that all connected products are secure by design and by default. It must also enable national authorities to swiftly remove insecure products from the market and give consumers access to effective remedies (e.g. compensation).

We also urge you to ensure that Member States implement promptly and correctly the Directive on **security of network and information systems**, that requires operators of essential services to make sure their facilities are resilient against online security threats. This Directive should also be updated to extend its scope and cover services such as social media platforms, as every insecure piece of infrastructure poses risks to the wider system.

We also urge you to put in place a **common cybersecurity incident reporting system** that ensures timely warnings to consumers in all sectors and in all circumstances, including information to enable them to protect themselves against the adverse effects of the incident. Unfortunately, current EU rules are inconsistent as regards at least two key points: the time frame to report cybersecurity incidents to the relevant authorities and obligations to notify consumers.

Strengthening ePrivacy protection

Online tracking and cashing in on people's most intimate moments has become the main business model of the internet. Consumers are still continuously forced to give up their privacy in exchange for accessing online services. This not only violates their fundamental rights, it creates incentives to promote disinformation, manipulation and illegal content.

The European Commission should continue to push for the swift adoption of a strong **ePrivacy Regulation** that complements the GDPR and tackles the problems created by online commercial surveillance. The European Commission's firm support for its pending legislative proposal is now a decisive factor in ensuring that the EU can uphold individuals' fundamental right to privacy and the confidentiality of communications. Amending or withdrawing it would not help to improve the situation of European citizens and consumers. Europe's leadership in this area is crucial for the creation of a healthy digital environment.

Establishing the legal framework for trustworthy AI

In your role leading the Commission's work on a coordinated approach to artificial intelligence (AI), we expect you to apply the principle that **AI must serve rather than harm consumers**. AI-powered products and services and complex Internet of Things (IoT) devices are already changing both consumer markets and our societies. While their uptake comes with the promise of increasing convenience and efficiency for consumers, ambitious solutions will be required to ensure that new technologies do not harm citizens. New technologies and business models using artificial intelligence, including non-personalised big data, must serve the interests of Europe's consumers as well as its businesses.

Consumers are at risk of being manipulated and becoming subject to discriminatory treatment and arbitrary, non-transparent decisions. It is essential to make sure that they have strong and tangible rights to defend themselves when necessary and which empower them to reap the benefits of the digital transformation of our societies.

The EU approach to AI must be built on the principles of fairness, transparency, accountability and other principles that ensure a fair, safe, and just society. We have [identified the rights that consumers need when exposed to algorithm-based decision making \(ADM\) processes](#). These rights go beyond what the GDPR provides and must be enshrined in law. The existing EU legal framework gives rise to major legal uncertainty and has important gaps which jeopardise effective protection of consumers and citizens.

Ethical guidance – such as the principles of January 2018 by the European Commission's High-Level Expert Group on artificial intelligence – can be helpful as a starting point but is not enough to ensure consumers have effective rights. We need a horizontal legal framework that includes all the necessary rules to ensure a fair and safe use of AI and algorithm-based decision-making, as well as a revision of all relevant sector specific legislation. The higher the potential adverse impacts of the use of this technology, the stronger the regulatory response must be.

Product and services liability

European liability rules developed during the 80s are insufficient to protect consumers in the digital era. Consumers are more exposed than ever to harm stemming from faulty connected products and digital services such as software. The EU legislator must therefore take action by providing clear enforceable rules in case defective products and malfunctioning software, including AI applications, cause harm to consumers. Access to justice and compensation is a key element for establishing consumer trust in new technologies.

Future cooperation

We look forward to working with you to achieve tangible benefits for European consumers over the next five years. We know that you will have a busy agenda but hope that you will find the time to meet with us at the beginning of your mandate. We would be very interested to hear your thoughts about our proposals, exchange views about European consumers' experiences and discuss how we can work together moving forwards. My colleagues will also reach out to your member of cabinet in charge of consumer policy.

Yours sincerely,

Monique Goyens
Director General

Ursula Pachtl
Deputy Director General

Encl.: An EU that keeps working for consumers – [BEUC proposals for the 2019-2024 European Commission](#)