Consumer confidence in the digital environment

2006/2048(INI) - 21/06/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by Zuzana **ROITHOVÁ** (PPE-DE, CZ) on consumer confidence in the digital environment. It pointed out that, despite the potential of digital communication, only 6 % of consumers engage in cross-border e-commerce in goods, services and content, although this figure is rising. Furthermore, one single electronic transaction is subject to many legal provisions setting divergent requirements, which did not provide either business operators or consumers with clear and easily enforceable rules. The report called on the Commission to support a suitable framework for the development of e-commerce that would boost the current low level of consumer confidence, create a more attractive business environment, improve the quality of legislation, reinforce consumer rights and the position of small business operators on the market, and stop the fragmentation of the internal market in the digital environment.

It considered that a new e-confidence strategy would contribute to raising consumer confidence, particularly by means of progress in the following areas:

- creating a grant programme and making use of existing financial programmes for projects aimed at increasing consumer confidence in the digital environment, including educational and information campaigns and projects verifying online services in practice (such as "mystery shopping");

- creating an electronic learning module relating directly to consumer protection and the rights of users in the digital environment in connection with the Dolceta project (Development of On-Line Consumer Education Tools for Adults);

- removing obstacles faced by entrepreneurs operating across borders in the digital environment, for example by standardising EU rules governing cross-border electronic invoicing ('e-invoicing')

- creating a pan-European forum of experts to exchange best national practice;

- carrying out impact studies on all legislative proposals relating to the internal market in order to assess the effects which those proposals would have on consumers in the digital environment;

- coordination of, and support for, European self-regulatory codices in accordance with best practice;

- introducing the requirement for an external audit to be carried out in respect of certain specific types of electronic services where there is a greater need to ensure that those services are fully secure, to protect personal information and data (in the case, for example, of internet banking);

- supporting the mandatory use of the most secure kinds of technology for online payments;

creating a European early-warning system, including a database, to combat fraudulent activities in the digital environment;

- calling for the launch of a European information campaign on the counterfeiting of medicines sold on the internet.

Parliament called on the Commission to begin formulating voluntary European standards designed to facilitate cross-border e-commerce, namely European standards designed to bridge language differences and variations between the laws in force within the various Member States - this being a factor which

constitutes a serious obstacle preventing both consumers and small and medium-sized enterprises from fully exploiting the internal market's potential in the digital environment.

Parliament also wanted the Commission to assess the possibilities for establishing a definition of conditions and a logo for a European trustmark and to ensure a general legal framework for voluntary trustmarks. This should involve: an inexpensive system; non-competition with existing trust or quality marks; costs being borne only in the event of dispute; the self-regulatory principle (the mark is not awarded institutionally, but traders use it if they publicly demonstrate that they have provided compulsory information within a defined timescale, used recommended contracts, dealt with complaints without delay, used ADR systems or conformed to other European standards); and penalties for improper use.

After consulting consumers' organisations, the Commission was asked to present a European charter of users" rights that would clarify the rights and obligations of information society players, including consumers. This includes users’ rights relating to digital content (i.e. users" rights and obligations when using digital content), users’ rights guaranteeing basic interoperability standards, and the rights of particularly vulnerable users (i.e. improving the accessibility of internet pages for disabled persons). In the event of it being temporarily impossible to prepare the charter due to the dynamic development of this area, Parliament called on the Commission to present a guide explaining the rights and obligations of information society players under the current acquis.

Furthermore, the Commission was asked to propose measures to stop the fragmentation of the internal market in the digital environment (i.e. refusal of access to goods, services and content offered in a cross-border context). This significantly affects consumers mainly in new and small Member States solely on the basis of nationality, place of residence or whether they own a payment card issued in a particular Member State. It was unacceptable that certain entrepreneurs who supply goods or provide services and content via the internet should deny consumers access to their websites in certain Member States and force consumers to use their websites in the State in which the consumer is resident or whose nationality he or she holds.

Parliament recommended that the Commission do the following :

- propose that the rules regulating distance contracts be extended to cover contracts concluded between consumers and professional traders in online auctions and contracts for tourist services (airline tickets, hotel accommodation, car rental, leisure time services and so on) ordered individually over the internet;

- make the supply chain in the digital environment more transparent in such a way as to ensure that the consumer always knows the identity of the supplier and whether the supplier is an intermediary or an end supplier;

- strengthen consumer protection in cases where the consumer assumes all contractual risks, for example by paying in advance, and particularly in electronic contracts;

- speed up its consideration of action on collective redress mechanisms for cross border business-to-consumers (B2C) disputes in the digital environment.