Electronic commerce, a European initiative

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In adopting the report by Mrs Erika MANN (PSE) Parliament encouraged the development of electronic commerce and supported the idea of drawing up a European framework policy applicable in this area. It considered that every possible effort must be made to exploit the potential for new job creation in high-grade information-based services by introducing new and special education and training facilities to impart these new skills. To ensure that undertakings and citizens could benefit fully from the advantages of electronic commerce and in order to avoid the fragmentation of the internal market Parliament stressed the need for coordination at European level of appropriate policies and regulations in this area. The Commission was called on to make proposals without delay seeking to create an internal market in the field of electronic commerce and to ensure that freedom to provide services throughout the Union was complete for all European undertakings. SMUs in the retail trade, marketing and tourism should be able to benefit from information measures, training measures and ad hoc research programmes to prepare for the conversion process. Parliament considered that a large number of problems were recurrent and that it would be appropriate to resolve them by means of a common regulatory framework. These should include in particular consumer protection, reliability, definitions of concepts such as place of establishment for service providers, place of transaction and intellectual property rights. Stressing that new taxes should not be imposed on electronic commerce which would penalize it by comparison with traditional forms of commerce, Parliament called on the Commission to examine whether electronic commerce should be taxed using the existing system or rather whether the current principles of taxation should be completely reformulated in the light of new developments. It considered that in any case agreement had to be reached at European level concerning taxation issues, and in particular VAT, in order to provide legal certainty, to avoid undue revenue losses and to ensure neutrality. While it was important to provide a clear regulatory framework, it was also necessary to adopt measures to provide improved training and better information to consumers and undertakings with regard to the characteristics and potential of electronic trading. Parliament recommended that governments should play a key role in this field by strengthening education and training and by offering government services on line. It considered it vital in strengthening consumer confidence in electronic commerce to eliminate restrictions on the use of encryption. Lastly, given the global scale of the Internet it again stressed the need to conclude international agreements in this field, for example by drawing up a universal code on electronic commerce within the framework of the WTO. Parliament considered that by establishing a regulatory framework, the European Union was establishing an advantageous negotiating position with a view to these discussions.