



Promoting electronic commerce in the internal market

Our organisations represent the whole European electronic communications industry: fixed and mobile telecoms operators, Internet Services Providers and cable companies, national and pan-European players. Our industries provide access, hosting and content services to European consumers, helping to create a platform for strong economic growth via ecommerce and remote working, as well as new communication, health and government services.

The importance of established fundamental principles

We are able to provide innovative services in an affordable and competitive manner because of the legal framework created by the eCommerce Directive. The Directive has proven to be a key instrument for developing online activity thanks to the “intermediary liability limitation” and the Country of Origin principles. Without being overly prescriptive, the provisions in question serve to provide a secure and predictable legal base for our industries to connect European citizens to the Internet and other electronic communication platforms. Any interference in this delicate balance will bring with it an increase of burdens for legitimate commerce, creating a negative impact on innovation, distorting competition and undermining consumers’ fundamental rights to privacy and free flow of information.

The Internet is a global phenomenon, and for European citizens to embrace ecommerce with confidence, and for European companies to effectively compete, the same approach to liability, responsibility and privacy needs to be maintained and extended to other regions of the world. External influences emanating from international negotiations should not overturn the EU framework which has been democratically decided by the European Parliament and Council.

Completing and optimising the Digital Single Market

There is great potential for growth in online trading, purchasing and consumption of goods and services. We support the Commission’s goals to promote ecommerce; namely, that by 2015, 50% of the population should be buying online, 20% should be buying online cross border and 33% of SMEs should conduct online purchases or sales. Our industries are already working to encourage our customers to be more active in online commerce and are also exploring new business models to make the best use of evolving technologies. These new services bring together media content, payments, distance contracts, telecommunication services and personal data in unforeseen ways. This makes the need for clear and future-proof rules even greater, if Europe is to benefit from the potential that ecommerce and ICT can provide.

To the extent that the absence of a harmonised EU Framework obstructs cross-border ecommerce, the problems relate to issues other than those covered by the eCommerce Directive. Accordingly, we would urge the Commission to examine European and national laws in the following areas:

- **Harmonising diverging national rules on consumer protection:** the draft Consumer Rights Directive has attempted to harmonise certain key protections, to make it easier for small and medium sized enterprises to offer services across the Single Market. However, current discussions in the Parliament and Council risk undermining that harmonisation, and could even make ecommerce more difficult.
- **Reviewing the current system of managing copyright:** our industries are very interested in growing the Digital Single Market, particularly for digital content. However, we find the current system of copyright management, based on territoriality, to be restrictive and cumbersome, especially when we are faced with customer demand for content across multiple Member States and multiple exploitation forms. The forthcoming draft Directive on copyright management should update the rules to be fit for the digital age. The EU and national governments could take the lead in this as well by, for example, allowing better access to public sector information for the creation of new services online.
- **Maintaining the right balance in the upcoming review of the Intellectual Property Rights Enforcement Directive:** the principles of the eCommerce Directive are fundamental to the business models for Internet operators and form the backbone of our activities online. The balance of discussions should respect these principles and not undermine efforts to increase the take-up of ecommerce by consumers. Attractive legal offers of content are a more effective method for dealing with illegal file-sharing.
- **Facilitating online payments:** we find that consumers choose illegal methods for accessing content for many reasons, including lack of access in their country (see above). Another major reason is the inability or difficulty to make payments online and the lack of confidence of consumers. If new business models are to be found that can sustain modern habits of consuming content online, then new, secure and convenient ways of making small payments need to be found and fostered.
- **Harmonising and simplifying privacy and advertising rules:** the consistent interpretation and application of the EU privacy framework across Member States would promote ecommerce by fostering the confidence and trust of consumers and businesses in the information society. Online advertising is a key and attractive way to support the delivery of Internet services that delivers real value to users¹. It is essential, therefore, that the legal framework for advertising recognises its importance in the ecommerce debate, and seeks out “win-win” solutions which provide a trusted and consistent environment for users and value for advertisers and companies. It is also important to promote international regulatory dialogue to ensure a level playing field on a global marketplace for online advertising.

These are some of the main obstacles to promoting the growth of ecommerce in the EU, and we are ready to work with the European institutions and other stakeholders to overcome them. Addressing these issues, whilst maintaining the established fundamental principles of the eCommerce Directive, will deliver the growth in the digital space that Europe needs to realise the digital single market and achieve its EU2020 ecommerce targets.

¹ http://iabeurope.eu/media/39559/whitepaper%20_consumerdrivingdigitaluptake_final.pdf

The Trade Associations contributing to this joint statement are:



Cable Europe (www.cable-europe.eu), the European Cable Communications Association, is based in Brussels and groups all the leading European cable TV operators and their national trade associations throughout Europe. The aim of Cable Europe is to promote and defend the industry's policies and business interests at European and international level. The European cable TV industry provides digital TV, broadband Internet and telephony services to more than 73 million customers. Contact: Caroline Van Weede, Managing Director (+32 2 521 17 63/ caroline.vanweede@cable-europe.eu).



ECTA (the European Competitive Telecommunications Association - www.ectaportal.com) is the pan-European pro-competitive trade association that represents more than 100 of the leading challenger telecoms operators across Europe. For over a decade, ECTA has been supporting the regulatory and commercial interests of telecoms operators, ISPs & equipment manufacturers in pursuit of a fair regulatory environment that allows all electronic communications providers to compete on level terms. Our members have been the leading innovators in Internet services, broadband, business communications, entertainment and mobile. Contact: Vicky Hanley-Emilsson (+32 2 227 11 79/ vhanley-emilsson@ectaportal.com).

ETNO (the European Telecommunications Network Operators' Association - www.etno.eu) is the voice of the European telecommunications network operators with over a decade of experience in shaping EU telecoms policy. The association represents 41 companies located in 35 European countries. They account for an aggregate annual turnover of more than 250 billion Euros and employ over one million people across Europe. Contact: Victoria Gerus, Regulatory Affairs Manager (+32 2 219 32 42/ gerus@etno.be).



EuroISPA (www.euroispa.org) is the world's largest association of Internet Services Providers (ISPs) representing the interests of more than 1700 ISPs across the EU and the EFTA countries. EuroISPA is a major voice of the Internet industry on information society subjects such as cybercrime, data protection, e-commerce regulation, EU telecommunications law and safe use of the Internet. Contact: Andrea D'Incecco, Head of Policy (+32 2 503 22 65/ andrea@euroispa.org).



GSMA (www.mobileworldlive.com; www.gsmworld.com; www.gsmeurope.org) represents the interests of the worldwide mobile communications industry. Spanning 219 countries, the GSMA unites nearly 800 of the world's mobile operators, as well as more than 200 companies in the broader mobile ecosystem, including handset makers, software companies, equipment providers, Internet companies, and media and entertainment organisations. The GSMA is focused on innovating, incubating and creating new opportunities for its membership, all with the end goal of driving the growth of the mobile communications industry. In the European Union the GSMA represents over 100 operators providing more than 600 million subscriber connections across the region. Contact: Martin Whitehead, Director, GSMA Europe (+32 2 792 05 50/ MWhitehead@gsm.org).