



The Consumer Voice in Europe

European Council: Digital Economy - Consumers' Interests

Letter sent to Permanent Representations to the EU on 22/10/2013

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RE: European Council - Digital Economy – Consumers' Interests

Dear Ambassador,

I write on behalf of The European Consumer Organisation (BEUC) to express our views on the Digital Single Market in light of the discussion on the digital economy, innovation and services which will be held during the European Council on October 24.

Major technological developments have significantly changed the way consumers live, shop, communicate, learn, use professional and healthcare services, gain knowledge and gather information.

While completing the Digital Single Market is a key factor in making the EU the world's most competitive economy, it should clearly benefit consumers and ensure the digital environment is one in which consumers thrive. Developments are happening fast and the time to get on board is now.

It is essential that all EU policy initiatives integrate this reality within their scope and ensure that consumers are at the heart of the European Digital Strategy.

We would like to draw your attention to a number of crucial components of the Digital Single Market.

Proposal for a General Data Protection Regulation

The ongoing reform of the Data Protection framework is a major component of the EU Digital Agenda. A robust data protection legal framework would help boost consumer confidence, particularly in the complex online environment. Innovation will only occur on a large scale if people trust the way their data is handled.

Consumers currently live in a digital 'dark room' in terms of control over the way information including their identity, daily lives, social activities, political views, hobbies, financial data and health records are collected and processed by multiple companies. Billions of euro are made each day by flourishing companies (mis)using our personal data.

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The proposal for a Regulation on Data Protection strikes the right balance between the need for an effective system of data protection for EU citizens and for businesses not to be confronted with excessive administrative burden. The reform will generate growth because it will modernise the legal framework and facilitate the use of data protection rules across the entire EU.

Over the last eighteen months, the Council has made significant progress at technical level. Political commitment is needed to transform the extensive work already done into real progress. It is important to advance rapidly on the file and reach an agreement before the next European Parliament elections. The majority of the European Parliament lead committee's amendments on the definition of personal data, principles for processing, extra-territorial scope of the Regulation, enforcement and redress are positive and should be accepted by the Council.

Proposal for a Single Telecoms Market

Europe's digital economy requires a well-functioning and competitive electronic communications sector as one of its most fundamental pillars. It is high time that telecommunications borders are eliminated within the Union, allowing for the creation of a Single Market based on a pro-competitive regulatory framework, to the benefit of all European consumers.

Existing artificial barriers to the Single Market such as intra-EU "international" price surcharges or roaming fees do not make sense in such a borderless environment and require strong political leadership so that they are removed as a matter of priority, all the while ensuring that domestic prices are kept in check.

Furthermore, as European consumers increasingly spend their time and money online, it is of utmost importance that their rights and freedoms are strengthened, protected and enforced to the highest degree possible, including the right to access an open and neutral Internet.

Licences for Europe

As announced in the Communication on Content in the Digital Single Market (December 18 2012), the European Commission launched an initiative called 'Licences for Europe', which aims to deliver rapid progress in bringing content online.

However, we consider the scope of the initiative to be too narrow and limited to exploring industry-driven solutions within the existing legal framework.

The real problems are due to a legal framework which has failed to keep pace with reality and the development of digital technologies. Licensing and technology cannot be the only solution. The two issues cannot be addressed separately.

The European Union needs a future-proof and balanced legal framework which allows consumers access to digital content in Europe's Single Market, while at the same time ensuring fair compensation for creators. Reform of the copyright framework, including the Copyright Directive 2001/29 is urgently needed.

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Consumer Law

We also would like to draw your attention to the fact that an optional European Sales Law, tailored to cross-border online transactions - as suggested by the European Parliament's Legal Affairs Committee - is simply not needed for promoting consumer e-commerce. By mid-2014, the Consumer Rights Directive of 2011 which fully harmonises the most important elements of business to consumer contracts for e-commerce will be in force.

Furthermore, the EU recently adopted an online Alternative Dispute Resolution regulation which will further help to establish confidence in cross-border consumer shopping. BEUC believes the optional European law in this field will only increase legal complexity, uncertainty and confusion for consumers and costs for business.

We urge you to drop the Common European Sales Law initiative and instead focus efforts on bringing down the main barriers within the Digital Single Market, as outlined above.

We hope that you will consider the concerns we have expressed in this letter and remain at your disposal should you wish to discuss this further.

Yours faithfully,

Monique Goyens
Director General