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JOINT STATEMENT ON ELECTRONIC COMMERCE

COMMUNICATION FROM THE RUSSIAN FEDERATION

The following communication, dated 15 June 2018, is being circulated at the request of the delegation of the Russian Federation.

1.1. Russia welcomes growing discussions under the Joint Statement on electronic commerce. Following our communication (JOB/GC/181) on possible ways for deepening our exploratory work towards future WTO negotiations on trade-related aspects of e-commerce, this submission advances our proposals relating to consumer protection principles.

1.2. Rapid growth and development of new digital technologies and e-commerce has caused significant changes in global economy over the past decades. These trends encourage innovations, create jobs and provide unprecedented opportunities for micro and small businesses located even in the most remote places of the world, and, therefore enable sustainable growth and socio-economic development.

1.3. At the same time it is online consumers and their level of knowledge and trust in emerging technologies, including digital ones, and new business models on e-market that become a key pillar for successful development of digital economy. The risks for online consumers in e-commerce are posed by cross-border transactions, peer to peer platforms, dispute resolution and redress, aggressive targeted marketing and SPAM, product/service safety and quality and electronic payment systems. Language barrier (quality and extent of translation) and increasing volumes of online trade hinder the establishment of strict rules on the structure of information brought to online consumers.

1.4. Special attention should be paid to the security and transparency of online payments. Online consumers should be fully informed about the nature and possible risks of the payment service before it is received, and how to protect their rights. One of the key remaining problems in this sphere is the low level of trust in the supply of financial services through electronic means (systems). Lack of confidence in personal data security systems and low financial literacy in this area lead to the formation of incorrect consumer patterns.

1.5. That is why it is important to pay attention to the issues of consumer literacy; increasing consumer confidence in e-commerce; and protection of their rights and interests in this area.

POSSIBLE TOPICS FOR DEEPENING DISCUSSION ON CONSUMER TRUST ISSUES

1.6. Collective efforts of all interested parties are needed to increase consumer trust in digital economy as well as their confidence in receiving appropriate level of protection that is at least equivalent to that provided for online consumers of traditional forms of commerce.

1.7. Tackling digital literacy of online consumers and expanding their access to digital economy could be achieved via such non-exhaustive practical actions, as:

- Provide protection for online consumers' rights on the level no less than is provided in traditional forms of commerce;
- Endeavour to increase the potential of online consumers to protect their rights in the context of e-commerce (knowledge, skills, and opportunities);
- Recognize the key online consumer rights in e-commerce, including the right for reliable information about goods/services;
- Set basic principles for cooperation and information exchange on cross border trade for competent authorities and develop unified approaches for cooperation and mutual aid in order to prevent dishonest commercial activities in the field of e-commerce;
- Ensure security of cross border transactions carried out in e-commerce, i.e., their confidentiality and safety;
- Ensure transparency of financial service supply, high standards of online consumer identification and personal data protection;
- Encourage private sector to engage in good business practices (negative and positive incentives);
- Set the definition for the list of possible measures to counter cross border violations of online consumer rights for safety and quality of goods and services purchased, as well as for the information on subjects of e-commerce, goods and services; and
- Provide for the creation of a digital platform, which may contain information about the detection of unsafe goods and services sold online.

1.8. We would like to note that in order to increase online consumer confidence in e-commerce we should also elaborate standards for supply of payment services in e-commerce, including personal data transmission requirements (e.g., according to these requirements the seller/payment aggregator can request a limited amount of information from the consumer regarding his personal data; any additional data, which is not directly related to payment transaction, should not be requested). In addition, conditions and procedures of personal data proceedings, timeframes for data storage, measures for confidentiality and security of personal data, as well as order of personal data transmission need to be developed and agreed.
