Expert Meeting on

CYBERLAWS AND REGULATIONS FOR ENHANCING E-COMMERCE:
INCLUDING CASE STUDIES AND LESSONS LEARNED
25-27 March 2015

Protecting Consumers Across Borders And Online

By

Hugh Stevenson
U. S. Federal Trade Commission

The views reflected are those of the author and do not necessarily reflect the views of UNCTAD
Protecting Consumers Across Borders And Online

25-27 March 2015
Geneva, Switzerland

Hugh G. Stevenson
U.S. Federal Trade Commission

The views expressed are those of the speaker and not necessarily those of the FTC or any FTC Commissioner.
ftc privacy/data security actions
International Monthly: January 2015

JANUARY 2015

HIGHLIGHTS

President Obama Visits FTC

During a visit to the FTC on Monday, President Barack Obama announced his proposed actions to better protect consumers’ privacy and identity. Chairwoman Edith Ramirez introduced the President before he provided his remarks in front of 250 FTC staff. The agency was proud to host the President in its Centennial year.

CONSUMER PROTECTION AND PRIVACY

T-Mobile to Pay At Least $90 Million, Including Full Consumer Refunds, To Settle FTC Mobile Cramming Case
¿Pirateado o atacado? Lee esto.
18 de marzo de 2016
por Amy Hebert
Especialista en Educación del Consumidor, FTC
Te piratearon tu email — ¿qué tienes que hacer?

¿Cómo puedes recuperar el control de tu computadora si fue atacada por un software malicioso?

Si no estás seguro por dónde empezar — o si eres la persona a la que... Lee más

Evite estafas
- Spam de mensajes de texto
- Email pirateado

Proteja su computadora
- Redes wifi públicas
- Proteja su red inalámbrica

Vea más artículos

Proteja a los niños en internet
- Cómo proteger la privacidad de su hijo en internet

Sea inteligente en internet
- Cómo usar las cámaras IP de manera segura
- Redes wifi públicas

Vea más artículos
Federal Trade Commission

Federal Trade Commission 2014 Privacy and Data Security Update

The Federal Trade Commission (FTC or Commission) is an independent U.S. law enforcement agency charged with protecting consumers and enforcing competition across broad sectors of the economy. The FTC’s primary legal authority comes from Sections 5 of the Federal Trade Commission Act, which prohibits unfair or deceptive practices in the marketplace. The FTC also has authority to enforce a variety of sector-specific laws, including the Truth in Lending Act, the Fair Credit Reporting Act, the Equal Credit Opportunity Act, the Fair Debt Collection Practices Act, and the Telemarketing and Consumer Fraud and Abuse Prevention Act. This broad authority allows the Commission to address a wide array of practices affecting consumers, including those that emerge with the development of new technologies and business models.

How Does the FTC Protect Consumer Privacy and Ensure Data Security?

The FTC plays a vital role in protecting consumers’ privacy and personal information. The FTC’s primary tool to do so is to bring enforcement actions to stop law violations and require companies to take affirmative steps to mitigate the unlawful conduct. This includes, when appropriate, implementing comprehensive privacy and security programs, taking enforcement action by independent experts, monetary relief to consumers, disgorgement of illegal gains, deactivation of illegally obtained consumer information, and provision of robust notice and choice mechanisms to consumers. If a company violates an FTC order, the FTC can seek both monetary penalties for the violators. The FTC can also obtain injunctive relief for violations of certain privacy statutes, including Children’s Online Privacy Protection Act, the Fair Credit Reporting Act, and the Act of 2016. To date, the Commission has brought hundreds of privacy and data security cases protecting billions of consumers.

The FTC’s other tools include conducting studies examining emerging trends, hosting public workshops, developing educational materials for consumers and businesses, testifying before the U.S. Congress and commenting on legislative and regulatory proposals that affect consumer privacy, and working with international partners on global privacy and accountability issues.

In all of its privacy work, the FTC’s goals have remained consistent: to protect consumers’ personal information and ensure that consumers have the confidence to take advantage of the many benefits offered in the marketplace.

Cross-Border Fraud Complaint Count

Calendar Years 2009 through 2013

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY-2009</td>
<td>92,872</td>
</tr>
<tr>
<td>CY-2010</td>
<td>109,473</td>
</tr>
<tr>
<td>CY-2011</td>
<td>140,545</td>
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<tr>
<td>CY-2012</td>
<td>140,331</td>
</tr>
<tr>
<td>CY-2013</td>
<td>133,402</td>
</tr>
</tbody>
</table>

1 For the purposes of this report, a fraud complaint is "cross-border" if the reported consumer and company country locations are different. These figures exclude identity theft and do not call registry complaints.

International Consumer Complaints

January – December 2013

Federal Trade Commission

May 2014

Source: Data from Consumer Sentinel Network
The US SAFE WEB Act:
Protecting Consumers from Spam, Spyware, and Fraud
A Legislative Recommendation to Congress
### International Competition and Consumer Protection Cooperation Agreements

<table>
<thead>
<tr>
<th>Country</th>
<th>U.S. - Other Cooperation Agreement</th>
<th>Memorandum of Understanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia</td>
<td>Agreement on Mutual Cooperation (2017)</td>
<td>Memorandum of Understanding (March 2016)</td>
</tr>
<tr>
<td>Mexico</td>
<td>Agreement on Antitrust Cooperation (2012)</td>
<td>Memorandum of Understanding (September 2013)</td>
</tr>
</tbody>
</table>

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**International:**

**U.S. - Other Cooperation Agreement:**

**Memorandum of Understanding:**
- Memorandum of Understanding on Antitrust and Administration Cooperation (2007)
- Memorandum of Understanding on Antitrust and Administration Cooperation (2007)

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**International:**

**U.S. - Other Cooperation Agreement:**

**Memorandum of Understanding:**
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**U.S. - Other Cooperation Agreement:**

**Memorandum of Understanding:**
- Memorandum of Understanding on Antitrust and Administration Cooperation (2007)
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HerbalKing principals indicted by FTC and New Zealand

2008-10-14 18:30:00 GMT, by Quasar Jenkins

The #1 worst spam gang on the Internet for much of 2007 and 2008, and active since at least 2005, has been indicted by the US Federal Trade Commission (FTC) in conjunction with simultaneous charges in New Zealand and possibly Australia & India. Several co-conspirators formed the HerbalKing spam gang. The primary perpetrators are well-known to Spamhaus: Brothers Lance and Shane Atkinson (former partners of ROKSO listed spammer Mike Van Essen), Roland Smiths and Jody Smith, who has his own ROKSO records.

As HerbalKing is infamous for both the content and the volume of their fraudulent penis enlargement spam, Spamhaus congratulates the FTC and New Zealand’s Department of Internal Affairs on their fine choice of spammers for legal action. Even this initial action may help lessen the spam sent by the gang, as, at the request of the FTC, a US court has issued a temporary injunction prohibiting the HerbalKing defendants from spamming and making false product claims and has frozen the defendants’ US assets. Sadly, if most criminal spam gangs, many of their assets will be banked “off-shore”. The FTC documents list shell-corporations and banking in Cyprus and the Republic of Georgia.

Fines or other penalties are decided at a later phase of the suit. The FTC uses US civil law, not criminal law. But it can refer cases to criminal prosecution, especially in situations where the defendants have violated earlier orders which is what the Atkinsons seem to have done. Spamhaus is hopeful that further criminal charges may be filed as a result of this civil investigation.

Authorities in New Zealand have also taken legal action, working in tandem with the FTC. New Zealand has anti-spam laws and Spamhaus hopes this case will finally convince spammers there that the laws have teeth.

One interesting item to note is the location of one of the gang members as specified by the FTC’s documents: “Lance Atkinson of Pelican Waters in Queensland”; this is Australia. People who follow spamming and national laws may be aware that Australia has some of the world’s strongest anti-spamming regulations: Spam is just not allowed there. The Australians have used the laws to mail ROKSO listed spammers before. In the past, these were civil actions, but the law does seem to include the ability to charge botnet-using spam gangs such as HerbalKing and its members under the Cybercrime Act of 2001.

UPDATE: 2008-10-15 10:20 GMT - 24-hours after this announcement, Spamhaus is still seeing a flood of HerbalKing spam flowing into its spamtraps. This is not unusual due to at least two factors. 1) Botnet spam systems are very automated and will continue to spam even if the operators do not log-in and control them. These spammers set up tens-of-thousands of domains and the spam systems rotate in new ones every day. 2) Spammers such as this gang and the Russians, Chinese, Indians and others they work with care little about the law. Spamhaus notes that most will not quit spamming until they are behind bars (and in one case, even that did not stop the spammer from trying!)
Designer Brand Outlet

www.designerbrandoutlet.com
Tech Support Scams
Tech Support Scam Enforcement
About ICPEN

Welcome to the website of the International Consumer Protection and Enforcement Network (ICPEN) – an organization composed of consumer protection authorities from almost 40 countries, whose aim is to:

- Protect consumers’ economic interests around the world,
- Share information about cross-border commercial activities that may affect consumer welfare,
- Encourage global cooperation among law enforcement agencies.

For consumers

Find out how to shop online wisely, avoid scams, where to seek consumer assistance abroad and what ICPEN does for you.

For consumer experts

Find out more about ICPEN, what we do and how you can join in our work. Check out our resources and learn more about consumer protection worldwide.

News

United States - Telephone Bill Cramping Forum
The Federal Trade Commission will be hosting a day-long public forum on cramping on May 11, 2011 in Washington, DC. The forum will focus on how government, businesses, and organizations can work together to reduce telephone bill cramping through business practices, law enforcement, and possible legislation.

Japan - Fraud alert related to charity and other deceptive trade practices after 2011 Tohoku Pacific Ocean Earthquakes disaster
Charity frauds, pretending to be from some social welfare associations or public institutions, have been reported since the Japan earthquake disaster. The Consumer Affairs Agency and the National Consumer Affairs Centre of Japan have issued alerts to consumers regarding the quakes charity frauds and other deceptive trade practices.

United Kingdom - OFT’s approach to promoting business compliance
The Office of Fair Trading has recently published a policy statement entitled “The OFT’s approach to promoting business compliance with consumer protection law.” The statement sets out how the OFT through its own actions and in partnership with others will seek to raise compliance across markets. The OFT approach is based around two themes.

New Zealand - Don’t fall for DNA scam
The Commerce Commission is warning people not to fall for a scam that has been circulating in Australia and has now hit New Zealand. It involves a supposed DNA testing kit, which has been turning up unsolicited in mail boxes.

You can also check the news from our members and partners directly from their national websites.

Calendar of events

May 2011

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EDUCATIONAL PROJECTS

SCAM ALERTS

Popular content

Who can help you?
What we do?
Get involved
Mes de la prevención del fraude 2015
Comercio electrónico / Intermediarios
#FPM2015
ABOUT THE LONDON ACTION PLAN

On October 11, 2004, government and public agencies from 27 countries responsible for enforcing laws concerning spam met in London to discuss international spam enforcement cooperation. At this meeting, a broad range of spam enforcement agencies, including data protection agencies, telecommunications agencies and consumer protection agencies, met to discuss international spam enforcement cooperation. Several private sector representatives also collaborated in parts of the meeting.

MISSION STATEMENT

The purpose of this Action Plan is to promote international spam enforcement cooperation and address spam related problems, such as online fraud and deception, phishing, and dissemination of viruses. The participants also open the Action Plan for participation by other interested government and public agencies, and by appropriate private sector representatives, as a way to expand the network of entities engaged in spam enforcement cooperation.

VALUE PROPOSITION

The London Action Plan (LAP) was founded in 2004 with the purpose of promoting international spam enforcement cooperation. Since inception, LAP has expanded its mandate to include additional online and mobile.
Mass-Marketing Fraud: 
A Threat Assessment

International Mass-Marketing Fraud Working Group 
June 2010

Spanish Police Arrest 84 in Probe of Nigerian Scam

Police Say $15.5 Million Could Have Been Laundered

On Tuesday, Spain announced that it had arrested 84 people in connection with a local "Nigerian Prince" Internet scam. The criminal ring had laundered $15.5 million dollars, primarily from Canadian, German and American victims.

By DAVID ROMÁN
July 25, 2014 4:45 a.m. ET

COMMENTS
Global Privacy Enforcement Network

Enforcement cooperation tools

GPEN is focused on the practical aspects of privacy enforcement cooperation. Accordingly, a priority has been to create or refine practical tools or mechanisms to facilitate and improve bilateral and multilateral enforcement. Three examples of cooperation tools are given. GPEN continues to work on developing other tools such as a secure mechanism for sharing confidential information.

Example #1: On-line platform
An online platform for enforcement cooperation, built by the OECD, was launched in Paris in September 2010. Key content is available only to registered users from member authorities. Members may obtain as many user accounts for staff as required. The website enables users to post news items, promote discussion and information exchange and read profiles of member authorities. The number of registered users exceeds 200. Users can email any other registered user of the website from another member authority or to do a mass mailing to all users simultaneously.

Example #2: Contact directory
GPEN was selected by the OECD and APEC to be the repository of a directory that combines the enforcement contact points for both international organisations. The Council of Europe has now joined in. The combined APEC-OECD-COE enforcement contact point directory will be updated as time goes by. Access to such authoritative lists facilitates authorities seeking assistance from the right quarters in the event of cases having a cross-border element.

Example #3: Regional teleconferences
In November 2013, the network launched the GPEN Atlantic and Pacific teleconferences. These are a parallel series of monthly 40 minute teleconferences held at convenient times for most time zones. They are a good opportunity to share enforcement know-how.

GPEN Members

As of September 2014 there are 51 member authorities from the following economies:

- Albania
- Australia
- Bulgaria
- Colombia
- Estonia
- France
- Gibraltar
- Hong Kong
- Ireland
- Israel
- Korea
- Lithuania
- Macau
- Mexico
- Monaco
- New Zealand
- Poland
- Spain
- Ukraine
- United States
- Argentina
- Belgium
- Canada
- Czech Republic
- European Union
- Germany
- Guernsey
- Hungary
- Isle of Man
- Italy
- Kosovo
- Luxembourg
- Mauritius
- Moldova
- Netherlands
- Norway
- Slovakia
- Switzerland
- United Kingdom

Contact

- GPEN COMMITTEE
  Blair Stewart, New Zealand
  Sharon Azarya, Israel
  Hannah McCausland, United Kingdom
  Michael Maguire, Canada
  Guilherme Roschke, USA

- You can contact the GPEN Committee using the contact link on the website:
  www.privacyenforcement.net

September 2014
Thank you!