



REVISED OECD RECOMMENDATION ON CONSUMER PROTECTION IN E-COMMERCE (2016)

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UNCTAD ICT WEEK

18 April 2016

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OECD 1999 Guidelines for Consumer Protection in the Context of Electronic Commerce

- Consumer protection in e-commerce cannot be lower than in other forms of commerce
 - Fair business advertising and marketing practices
 - Clear and transparent information disclosures
 - Ways to confirm/cancel a transaction
 - Secure and easy-to-use payment mechanisms
 - Effective dispute resolution mechanisms
 - Education and awareness
- Industry-self regulation should be encouraged
- Members should co-operate to combat cross-border fraudulent, misleading and unfair commerce practices

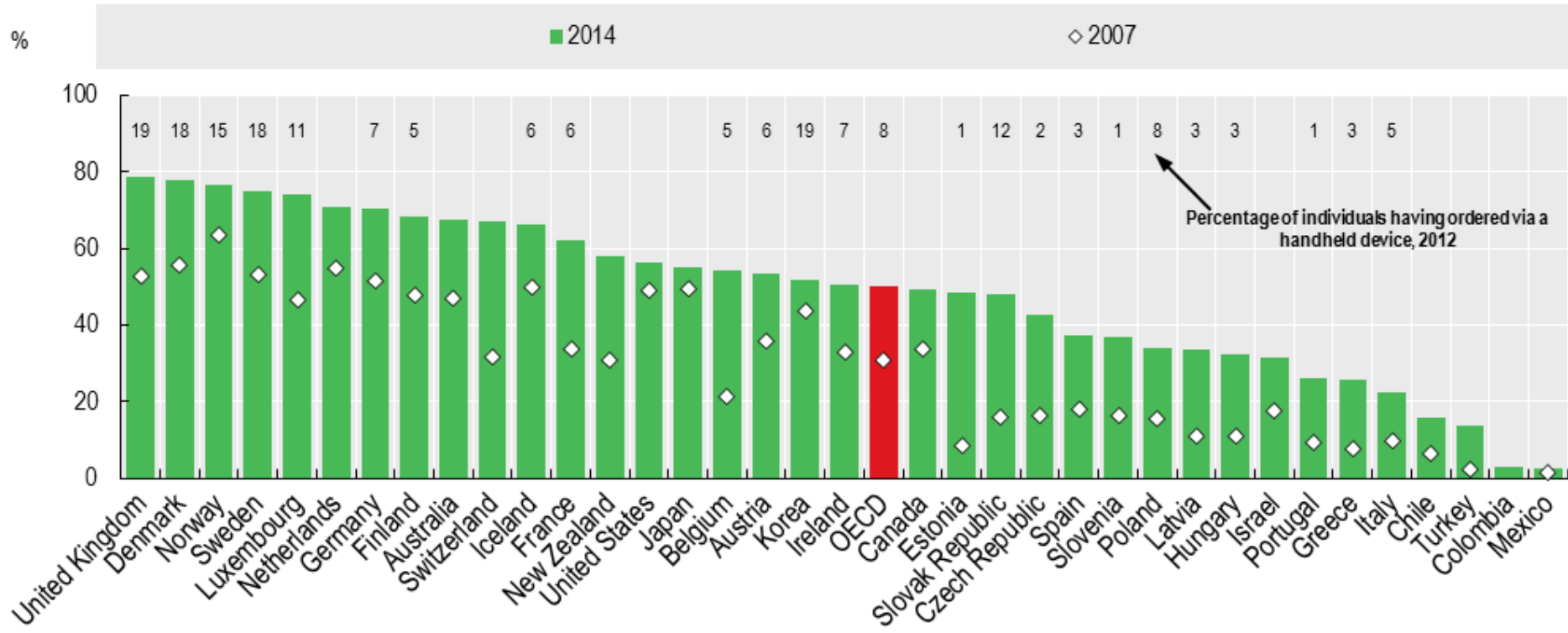




Global e-commerce trends: a high variance across countries

Online shoppers: 2007 and 2014

Individuals ordering goods or services online as a percentage of all individuals

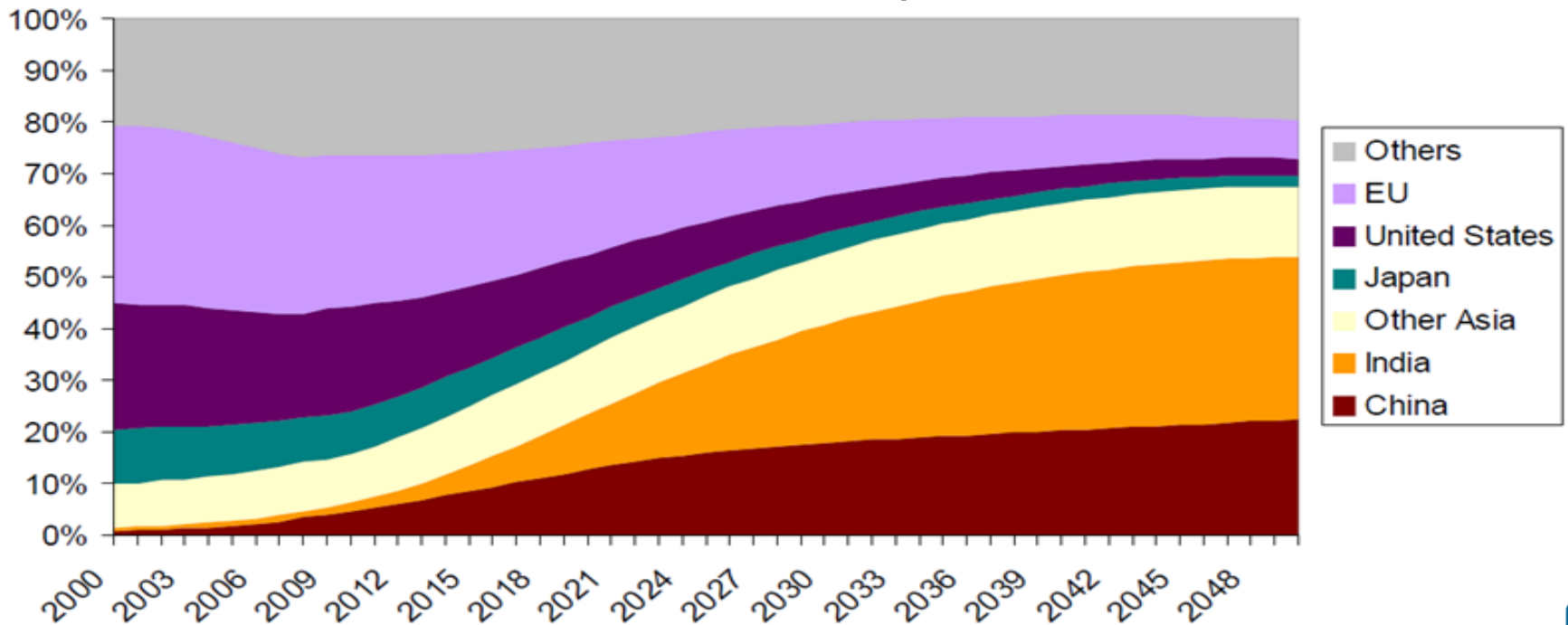




Global consumer protection across global supply chains

- *Broad changes in global consumer demand; need to address new challenges*
- *Shift in consumer demand to Asia where consumer spending could account for more than 50 percent of the global middle class spending in 2050*

Shares of Global Middle Class Consumption, 2000-2050



Source: *The Emerging Middle Class In Developing Countries*, OECD Development Centre, Working Paper No.285, 2010



E-commerce growth factors

- Increased Internet and mobile penetration
- Wider product choices at competitive prices or “free”
- More active consumers accessing, comparing and sharing information more easily
- Wealth of consumer data
- New business models
- Growing number of platforms facilitating consumer-to-consumer transactions
- Easy-to-use and more secure online and mobile payment mechanisms
- Rapid take-up by emerging economies



New e-commerce issues

- *Consumer spending accounts for about 60% of total OECD GDP*
- *Consumers benefit from more choices but face greater complexity*



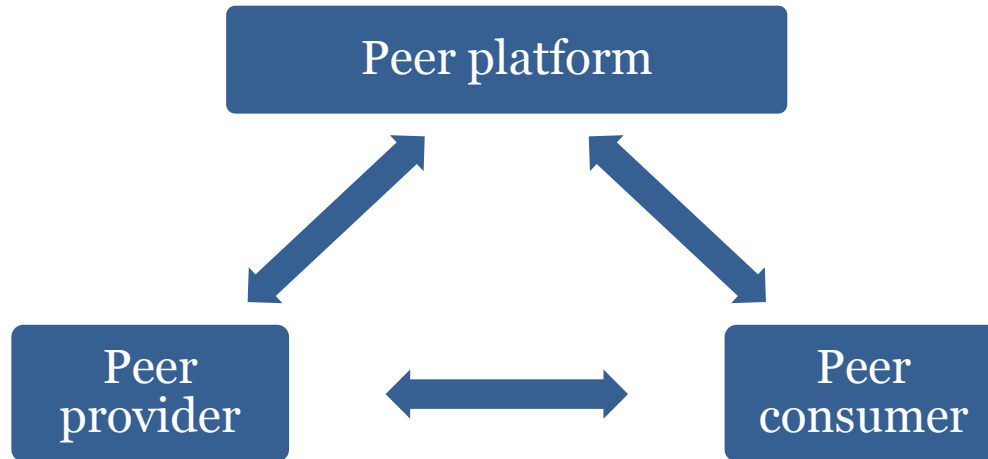
» Main changes reflected in 2016 revised Recommendation

- Active consumers
- Privacy and security
- Online platform markets (the “sharing” economy)
- Improving the evidence base: insights from behavioural economics





The rise of peer platform markets



Main issues:

- Responsibilities of the peer platforms?
- Consumer peer provider's services versus professional subjected to consumer protection law?
- Need to adapt policy and regulatory frameworks?



Trust can be elusive on-line

“drip” pricing and default settings

	INSURANCE	INSURANCE PLUS
Medical Expenses	✓	✓
Personal Belongings	✓	✓
Cancellation circumstances	✓	✓
Ticket Refund		✓

VIEW POLICY

If you do not wish to purchase travel insurance, please select "Don't insure me" in the drop-down box. Ryanair recommends that all passengers obtain travel insurance



Other changes

- Payment protections
 - Addresses gaps in protection across payments
- Mobile devices
 - Addresses disclosure challenges posed by small screens and other technical limitations
- Digital Content
 - Provides info on limitations in functionality
- New provisions covering:
 - Online product safety and digital competence



International co-operation: Next steps

- **ASEAN/OECD Workshop on E-commerce** (18 May, Siem Reap, Cambodia)
- **OECD Ministerial on the Digital Economy** (22-23 June, Cancun, Mexico)
- **FLAGC meeting** (12-16 September, Costa Rica)
- **UNCTAD IGE meeting** (17-18 October, Geneva)



Thank you!



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TRUST IN THE
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