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Legal barriers in e-business: The results of an open consultation of enterprises

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1. INTRODUCTION

The Community legal framework for e-business has been largely established, thus contributing to the creation of legal certainty in e-business and promoting the establishment of an internal market for e-business activities in the European Union. However, as different e-business surveys suggest, many enterprises still consider legal problems are a barrier to e-business.

According to the Eurostat e-commerce survey of 2002¹, more than 40% of the enterprises interviewed responded that uncertainties relating to the legal framework constitute either a very important or an important barrier to making sales via the Internet. Preliminary data for 2003 confirms these results, although at this time enterprises selling online gave significantly lower importance to barriers of this kind. As a result, it could be concluded from this survey that companies not actively engaged in selling on-line are in particular those who express legal concerns. Should this be the case, the stated legal problems would be more of a psychological nature rather than based on practical problems and real life experience. This view is supported by other surveys, such as the SIBIS project² and the IBM study³, which suggest that legal problems do not rank among the main obstacles preventing enterprises from doing business electronically.

However, this does not mean that legal problems are not relevant. Existing legal problems may form part of other and perhaps more important barriers for e-business, such as the non-suitability of specific activities to e-business. On the other hand, legal barriers may also result from a lack of awareness of existing legislation. Legal barriers can not therefore be easily defined and separated from other problems or considerations, which prevent enterprises from taking up e-business. This has to be taken into consideration when interpreting the statistical results of e-business surveys and when drawing conclusions about the importance of legal barriers.

In the eEurope 2005 Action Plan⁴, as adopted by the Commission on 28 May 2002 and endorsed by the European Council in Seville on 21-22 June 2002, the Commission announced that, in cooperation with Member States, it would “*review relevant legislation where appropriate with the aim of identifying and removing factors that prevent enterprises from using e-business. The review will be kicked off with an e-business summit giving high level representatives the opportunity to describe difficulties encountered when doing business electronically*”. The objective of this review is to complement the legislative work by collecting feedback concerning the still remaining barriers for conducting e-business and not to deal with the review of specific Community instruments.

¹ For more information on the Eurostat e-commerce data referenced in this document, see: <http://europa.eu.int/comm/enterprise/ict/studies/entr-ict-2002.pdf>

² Statistical Indicators for Benchmarking the Information Society (SIBIS project). For more information see: www.sibis.eu.org

³ Impulse / IBM (2003). Internet- und E-Business-Einsatz im bundesdeutschen Mittelstand 2003. For information, see: http://www-5.ibm.com/de/mittelstand/presseinfo_mittelstand.html

⁴ Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions “E-Europe 2005: An information society for all” An action plan to be presented in view of the Sevilla European Council 21/22 June 2002 COM/ 2002/ 0263 final

As a first step in the follow-up, Directorate General Enterprises carried out an online consultation on legal barriers in e-business⁵, which was directly addressed to enterprises. The consultation was launched by means of the Interactive Policy Making (IPM) consultation tool, allowing all interested parties to provide their answers via the Internet and it was accessible through the “Your Voice” website⁶. In addition, business associations were invited to present their views on the existing e-business legislation, taking into account the practical experience of their members.

The objective of the consultation was to identify the practical barriers really experienced by enterprises active in e-business. The results of the consultation are presented and further analysed by this Working Paper of the Commission’s services, which takes also into account cases reported by the Euro Info Centres to the European Commission within the framework of the Interactive Policy Making (IPM) Feedback Mechanism⁷.

The general comments of associations have been published on the Europa website⁸. Certain fundamental policy questions raised in these comments, such as the applicable law, copyright or VAT rates, are not further analysed in this working document, but the Commission’s services will take into account all comments received in its future policy work.

2. THE STATISTICAL RESULTS OF THE OPEN CONSULTATION ON LEGAL BARRIERS IN E-BUSINESS

The open consultation on legal barriers in e-business took place between 15 September and 17 November 2003. The consultation sought to collect information and feedback from the market on legal problems experienced by enterprises, in particular concerning the area in which the problem occurred, the origin of the problem, the impact of the problem, the level of information of companies about e-business legislation etc. Replies were received from 671 enterprises across the European Union and the Acceding and Candidate Countries. The main statistical results of the consultation are annexed to this working document and are also published in the “Your Voice” website⁹.

The majority of responses received confirmed that enterprises do not perceive legal issues as a major barrier for conducting e-business. However, as it turned out the general knowledge of the new legal framework for e-business is still relatively low, with a large number of enterprises remaining sceptical about the practical effects. This may be, at least partly, due to the fact that in many cases the legal framework is still fairly recent and in some cases, European Directives have not yet been transposed into national law.

2.1. How representative are the results?

Taking into account the open nature of this consultation, the results cannot be expected to be fully representative. For example, the breakdown of responses by country does not fully correspond with the uptake of e-business by enterprises in these countries. The majority of the

⁵ To access the questionnaires of the online consultation, see:
<http://europa.eu.int/comm/enterprise/ict/policy/b2b-con2003/index1.htm>

⁶ http://europa.eu.int/yourvoice/consultations/index_en.htm

⁷ For information on the Interactive Policy Making (IPM) see:
http://europa.eu.int/yourvoice/yourexperience/index_en.htm

⁸ <http://europa.eu.int/comm/enterprise/ict/policy/b2b-con2003/index.htm>

⁹ http://europa.eu.int/yourvoice/results/259/index_en.htm

responses originated from four countries, namely Italy, France Austria and Germany, while in other countries, where enterprises have demonstrated a high degree of involvement in e-business and, consequently, more replies would normally be expected, such as in the Netherlands, Norway and Denmark, the consultation went widely unnoticed.

A possible explanation for such regional differences is that in some countries special efforts were undertaken to promote the consultation, notably by members of the European e-Business Support Network¹⁰ (eBSN) and business associations. This applied to Italy, France, Spain, Finland, Greece and Slovenia. The low level of response from other countries may also be attributed to cultural differences and the general reservation to participate in consultations of this type. In any case, it has to be stressed that without intense efforts to promote the consultation, it would not have been possible to achieve the overall quite satisfactory response rate.

The breakdown of responses by sector corresponds to a certain extent with the sectoral differences in e-business uptake, as reflected by the results of the *e-Business W@tch* survey¹¹. In particular, most of the responses came from the Information and Communication (ICT) services sector, which is the leading sector in e-business uptake. Many replies also came from the trade and retail sector, while other sectors like transport and logistics, construction and tourism did not respond in the same positive manner. Taking into account the sectoral differences of e-business activities, more responses would have been expected from the tourism sector, and also from the automotive and the electronics industries, the media industries and, especially, from the financial services sectors (banking, insurance), which demonstrate the highest propensity towards the selling-side of e-commerce.

The large majority of enterprises who responded to the consultation were small and medium sized enterprises (SMEs). This corresponds with the fact that more than 90% of enterprises in the European Union are SMEs. Contrary to the frequently used argument that SMEs are less willing to participate in such consultations, with the risk that the results are biased towards larger enterprises, the results of the open consultation are better than expected. It is interesting to note that legal problems were not reported more often by SMEs when compared to larger enterprises, a fact that is also confirmed by the results of other e-business surveys, such as the IBM study.

Most of the enterprises which responded to the consultation, had practical experience with e-business, in particular in the areas of online collaboration with business partners, online buying and the provision of other online services, including marketing and advertising. Other activities, such as online selling and online internal business activities, e.g. accounting and management, were also regularly reported. The large majority of the participating enterprises described their e-business activities as “very important” or “important”. However, this does not seem to correspond with the average opinion of enterprises concerning the importance of their e-business activities, as expressed in other surveys. The *e-Business W@tch*, for example, reported for 2003 that only 60% of the medium-sized enterprises believe that e-business plays some role in the way they operate. These percentages are, however, higher in the leading sectors, such as ICT services and the automotive and electronic industries. It seems that the

¹⁰ For information on the e-Business Support Network see: www.e-bsn.org

¹¹ For more detailed information on the *e-Business W@tch*, its reports and statistics see: <http://www.ebusiness-watch.org>
The latest available summary of these reports is published at: <http://www.ebusiness-watch.org/marketwatch/resources/E-Business-2003.pdf>

online consultation has attracted the particular interest of those enterprises which are more actively engaged in e-business than the average.

Consequently, the results should be viewed as representing more the opinion of enterprises with strong experience and interest in e-business, a fact also confirmed by the sectoral breakdown of the responses, with most of them coming from the ICT services sector, which is the leading sector in e-business. This bias towards more e-intensive sectors makes some of the results even more interesting. For example, legal problems are more often reported by enterprises which consider e-business as “very important”. From this it may be concluded that the practical relevance of legal problems, contrary to earlier surveys, increases with the intensity with which enterprises are engaged in e-business activities. This is indeed confirmed by the results of the consultation, as nearly half of the enterprises reporting legal problems considered the actual impact of the problem as very important. In order to better understand the nature and practical impact of the legal problem, it seems necessary to analyse in more detail the importance of the postulated problem rather than limiting the analysis to the number of enterprises that express concern.

At first glance, the results of the open consultation seem to contradict those of the Eurostat e-commerce survey, which indicated that companies more engaged in e-commerce pay less attention to legal problems. However, it should be stressed that the two surveys are not comparable. The Eurostat survey only covered e-commerce activities, such as online buying and online selling while this consultation addressed e-business activities in the broader sense, which should be understood as covering the use of information and communication technologies for business purposes in general, thus including online collaboration with business partners and online internal business activities.

Taking this into account, it may be concluded that the higher enterprises climb-up the e-business ladder, from buying and selling online to full business integration, the more sensitive they become to legal issues applicable to e-business activities and their effectiveness.

Against the background that for the majority of the enterprises e-business constitutes a “very important” or “important” activity, it is striking that nearly half of the respondents described their level of information about existing legislation on e-business as “insufficient”. This corresponds with the acknowledgement from half of the enterprises that they have no clear opinion on the suitability of the existing legislation. Only 24.5% of the enterprises considered the existing legal framework for e-business as appropriate, often however without further specifying the reasons for this rather pessimistic view. Nevertheless, taking these results into account it seems reasonable to argue that many enterprises appear unaware of existing legislation in the field of e-business or remain sceptical with respect to its usefulness. Thus, enterprises clearly need better information on the relatively new e-business legislation. In addition, a better understanding of and respect for the widespread reservations enterprises have against the existing law should be acknowledged.

2.2. The business perception of “legal barriers”

Strictly speaking, legal barriers could be defined as a specific legal provision which prevents enterprises from entering into e-business. However, the lack of a legal provision may have the same effect, if it is considered as an important condition for e-business. Therefore, legal barriers may not only result from “over-regulation” but also from a lack of legal security. However, consumers and enterprises may have different opinions on what constitutes a necessary legal safeguard or an unacceptable risk or burden.

As confirmed by the online consultation, most enterprises refer to legal barriers in a very non-specific way. What matters for enterprises, is not the legal provision as such but the knowledge and perception they have of them. What is perceived as a legal barrier is, in most cases, simply a lack of awareness of existing e-business legislation. Many enterprises reported problems which are covered by existing legislation but of which they were apparently unaware. Similarly, in many cases perceived legal problems were more related to the technical implementation of existing law, such as those for e-signatures or e-invoicing, rather than to the actual legal provisions. From a business perspective, it does not matter why legislation fails to meet their expectations. What matters is the result. Legal barriers, as perceived by enterprises, therefore encompass both legislation, which is considered to be inadequate, as well as areas for which enterprises would expect clear legal provisions facilitating electronic data exchange or transactions.

On the other hand, it may well be that legal problems exist but they are not recognised as such by enterprises. In this case, legal problems are part of the many reasons which may prevent companies from doing business electronically. For example, many enterprises report in various surveys that their activities are not well suited for e-business. Nearly 50% of all enterprises interviewed in 2002 by the *e-Business W@tch* were of the opinion that the goods or services they produced did not lend themselves to being sold online. In fact, this was by far the most important barrier to e-commerce, out of a list of eight potential barriers, across the 15 sectors surveyed. Legal provisions, such as the right of withdrawal for distance selling, may have played a role in this perceived lack of suitability of specific economic activities for e-business. However, in some cases this perception may be wrong as companies may not always be aware of the fact that the right of withdrawal does not apply to all types of goods and services, thus adding to the confusion and indicating the need for more awareness on the existing legislation.

The practical impact of such legal provisions may, therefore, be difficult to assess when compared to other reasons such as the lack of a profitable business case. The criticism of existing legislation or the call for new legislation may only be justified in some, rather than all cases.

High costs also prevent enterprises from entering into e-business. As suggested by the IBM survey, “high costs” are among the more prominent barriers for not widely introducing e-business in a company. It may well be that costs for compliance with legal provisions contribute to this perceived problem, without this becoming explicit. There are different kinds of this type of cost, such as those related to the interpretation of legal requirements or those related to their practical application. For e-business legislation no extended impact assessment has been carried out so far. Therefore, the cost of compliance is widely unknown, although there is evidence that these costs may be rather high in some cases. For the extreme case of prohibitive high compliance costs, it would also be appropriate to use the term “legal barrier”.

Following these considerations, a legal barrier may be defined in different ways. For example, a legal barrier may result from “a legal provision or the lack of a legal provision deterring enterprises from entering into e-commerce”, but also from “a legal provision or the lack of a legal provision increasing the costs of compliance with law”. Whatever the definition, it has to be admitted that from an enterprise point of view the concept of legal barriers is a highly subjective concept, reflecting the perception of enterprises of what might constitute a barrier to market access in the wider sense.

The questionnaire for the online consultation allowed for the different types of legal barriers encountered when following the different steps necessary in order to complete electronic

transactions, ranging from the establishment and provision of online services to the conclusion and validity of a contract. However, it has to be acknowledged that in many cases the respondents apparently found it difficult to clearly distinguish between the different steps and to relate their problems to a specific activity. On the other hand, it is also true that in some cases the borderlines between the different steps are blurred.

Such borderline cases were quite frequently reported, such as the question of the legal validity of various types of electronic documents used in commercial transactions. In addition, many respondents apparently found it difficult to clearly identify the nature of the legal problem, as requested by the questionnaire. Whether the reported problem emanated from a lack of clarity, a lack of regulation or something else has created some confusion. It is indeed difficult to draw lines between the different types of problems. There is clearly a need to take these conceptual and practical difficulties into account when interpreting the results of the online consultation and other e-business surveys.

2.3. An overview of the main statistical results on legal barriers

The fact that the large majority of respondents reported that they had not yet experienced any legal problems when doing e-business is the most important result of the consultation. Only 31.3% of the respondents qualified their replies as legal problems, however, many of these reported cases are, undoubtedly, not of a legal nature in the strict sense, although they have been perceived as such. For example, many referred to missing standards or technically impractical solutions for the usage of electronic signatures or electronic invoices. It has to be acknowledged that from an enterprise point of view it is irrelevant whether the lack of legal recognition of electronic documents results from inadequate legislation or from missing standards to ensure cost-effective solutions, which are legally accepted. In any case, the problem falls back on the legislation, which is considered to constitute a legal barrier.

Basically, the legal problems reported affect all parts of electronic transactions, with a large number related to the conclusion and validity of a contract, including the recognition of contracts concluded by electronic means (39%), electronic signatures (30%), taxation (29%), and the provision of a service by electronic means (27.5%), electronic payment (25.5%) and finally marketing and advertising activities (25 %). However, as already stated above, these results should be treated with some caution, as the enterprises which responded to the questionnaire were not always able to correctly identify the type of problem they faced. The description of the problem was of a very general nature and in some instances very difficult to interpret at all.

Nearly half (49.2%) of the reported legal problems refer to electronic transactions between enterprises. This may be surprising, taking into account the predominance of business-to-consumer aspects in most of the legal discussions. However, it should not be forgotten that e-business between enterprises is by far more important than electronic sales from enterprises to consumers. According to the *e-Business W@tch*, about 46% of enterprises in the EU surveyed in 2003 reported they made online purchases from their suppliers, while only 16% of firms made online sales, including online sales to other businesses. Furthermore, this result may also be explained by taking into account that the consultation aimed at identifying enterprises' perception of legal barriers. Consumers' perceptions of potential problems encountered when

buying online from enterprises are often related to similar issues, however reflecting the consumer aspect of the same problem¹².

More than half (63%) of the reported legal problems have occurred at national level. This may be explained by the fact that e-commerce transactions are still more frequently national rather than cross-border. According to the *e-Business Watch*, only a third (34%) of the companies surveyed in 2003 reported that their on-line sales were predominantly addressed to international markets, while more than half (52%) responded that these sales were mainly national and the rest (14%) even referred to the local market as the relevant market. This might be explained by the fact that the potential of the internal market is not yet fulfilled, especially in this specific domain. Remaining legal uncertainties for cross-border transactions might discourage many enterprises from extending their e-business activities beyond national borders, where they would encounter unknown legislation. However, any analysis of legal barriers should also take into consideration that even in a perfectly functioning internal market many companies would still continue to sell primarily to regional or national markets, due to other types of constraints such as the type of products, the increased costs for marketing and logistics, the need for personal contacts between sellers and buyers, or simple linguistic barriers.

The consultation does not offer a sufficiently clear explanation of the origin of the reported legal problems. The majority of the respondents (56.8%) referred to the lack of clarity of existing regulation as the main source of their problems. However, little evidence has been provided to further substantiate this point. One explanation for this could be that most of the respondents have insufficient knowledge of the existing legislation and therefore incorrectly attribute problems to a lack of clarity. It would be interesting to verify, how many enterprises are really aware of the exact legal provisions, which are relevant for the reported problems. In addition, many enterprises (27%) admitted that the reported problem resulted from a lack of awareness on the existing legislation, thus confirming that further raising of awareness is necessary.

Not surprisingly, nearly half of the enterprises (48%) responded that the reported legal problem has not yet been solved. This corresponds with their perception of the nature of the legal problem, which puts the emphasis on a lack of clarity, different rules applicable in different countries or a lack of awareness. These factors are by definition of a more persistent nature, and do not relate to a specific legal conflict. Only a minority (11%) of enterprises have experienced such legal conflicts, resulting from an infringement of existing legislation. Interestingly enough, most of these legal conflicts were solved by agreement with the other party (20.3%). Only very few cases lead to court decisions (4%) or were solved by arbitration or mediation by a trusted third party (2.8%). This may indicate that the existing e-business legal framework is good enough to prevent legal conflicts in the field of electronic transactions. It may also indicate that the e-business legal framework may be considered as a safety net, required in exceptional cases where a solution cannot be easily found by the market partners. However, it should also be kept in mind that legal remedies are not always the most suitable for e-business, which by its very nature requires cheap, flexible and quick on-line remedies.

Nearly half of the companies (45.7%) reported that they either subscribe to codes of conduct or they are planning to do so. Trust mark schemes are, however, applied by fewer enterprises

¹² For more information, see the reports of the European Consumer Centres (ECCs): http://www.ecic.ie/resources/publications/EEC_e-commerce_report.pdf

(11.6%) and, according to the consultation, this situation is unlikely to change in the near future. It is interesting to note that there is no statistically significant correlation between the respondents that stated they did not experience legal problems and those who had adopted codes of conduct or participated in a trust mark programme. However, it should be remembered that many of the reported legal problems are not of a truly legal nature and they probably affect most enterprises in the same manner. In order to have a clearer picture it would be necessary to explicitly ask enterprises which commitments result from their participation in codes of conduct and trust mark schemes and how this has affected their relations with their clients and business partners.

Legal problems may be the exception but when they occur they may have a strong impact. Almost half of the responding companies (48%) reported that the legal problem had a significant impact. In particular, 42% said that they had to modify their commercial policy in order to comply with legal provisions and 58% claimed that they have ceased to engage in certain e-business activities with a specific supplier or in a specific country, due to legal problems. However, it is difficult to say to what extent such decisions were indeed predominantly motivated by legal problems or whether other considerations, such as those of a commercial nature have contributed to this effect.

Statistical data from the *e-Business W@tch* and the Eurostat e-commerce survey confirm that the percentage of enterprises selling online has practically stagnated or has started to decrease during the last couple of years. Therefore, it seems plausible to assume that it is mostly commercial considerations which have forced enterprises to review their online strategies. Legal problems, in particular related to the application of legal provisions in the area of distance selling, may have contributed to a concentration on the core business or to limit e-business activities to the local market, but only in few cases were they most likely the decisive reason. Nevertheless, the results of the consultation provide further evidence about the many still existing problems with which enterprises are confronted when engaging stronger into e-business.

3. THE LESSONS TO BE LEARNED FROM THE OPEN CONSULTATION ON LEGAL BARRIERS IN E-BUSINESS

Although the majority of the respondents did not perceive legal issues as a significant barrier for e-business, the impact of the reported problems was in some cases quite substantial. It was claimed that enterprises even stopped certain e-business activities due to legal obstacles or uncertainties. Whether or not this is correct, or whether other considerations also contributed to this consequence, is difficult to judge. But the results clearly demonstrate that e-business remains surrounded by many uncertainties a large part of which relate to the legal framework.

This section will further present the most frequently reported problems and draw some lessons to be learned from them. In doing so, it has to be taken into account that the picture may not reflect all existing problems. The results of the online consultation only represent a snapshot of the situation, which nevertheless helps to better understand the perception of the e-business legal framework by enterprises.

3.1. Lack of awareness of e-business legislation - a barrier for e-business

A clear lesson to be learned from the consultation is that many enterprises feel insufficiently informed about legal provisions applicable to e-business. Nearly half of those who responded (45.8%) expressed this view. This lack of awareness may be explained by the fact that the

large number of new and often unfamiliar rules applicable to e-business is perceived as too complex and/or too vague by many enterprises. The lack of full harmonisation of e-business legislation and the resulting divergences between national legislations, as well as the lack of transposition or the late transposition of European Directives, has certainly contributed to this negative image. In addition, online and offline trade are, in some cases, still treated differently, which further contributes to the confusion.

Relatively few enterprises identified and described specific legal barriers. The majority of respondents only expressed rather personal views regarding the lack or insufficiency of existing e-business legislation. This is confirmed by the fact that many enterprises replied by asking for more information. Such information requests represent the majority of more than 1000 identified e-business related cases, inserted by the Euro Info Centres (EICs) into the IPM database. More than half of these cases were related to the provision of non legal information, such as funding, searching for business partners and improvement of the company's electronic system. The most frequent requests on legal information referred to the VAT regime applicable to cross-border online trade, the use and recognition of e-signatures, the right of withdrawal, the delivery of defective goods or the non-delivery of the products. In most of the cases, the majority of the enterprises expressed a lack of information on legal issues, without, however, complaining about a specific legal problem.

In other cases, the respondents to the open consultation reported issues which were described as legal barriers but in reality, once again, represented more a lack of awareness of existing legislation. For example, in many cases enterprises were not aware that a satisfactory solution to their problem already exists. The deep frustration expressed by many participants is therefore, in objective terms, unnecessary but it may nevertheless dissuade enterprises from doing business electronically.

The most common examples of this type of issue are uncertainties related to the law applicable for online commercial communications, e.g. online direct marketing, or the legal validity of electronic contracts, which are both addressed by the e-commerce Directive¹³.

In addition, some replies indicated a lack of awareness on the recently established legal framework concerning unsolicited commercial e-mail ("spamming")¹⁴. In other reported cases, legal provisions should have been respected, however, many enterprises were apparently unaware of them. This applies, for example, to the obligation of service providers to disclose certain information on their websites, something that in reality is not always adhered to. This problem has also been identified by the report on the implementation of the e-commerce Directive¹⁵.

In this respect, the results of the consultation coincide also with the experience of the European e-Business Legal Portal (ELEAS)¹⁶, an online information service on e-business

¹³ Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market ('Directive on electronic commerce') OJ L 178 , 17/07/2000 p. 1-16

¹⁴ Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications) OJ n° L201, 31.07.2002, p. 37-47

¹⁵ First Report on the application of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market COM (2003) 702(01)

¹⁶ For more information on the E-business Legislation Easily Accessible for SMEs (ELEAS) project, see: <http://www.ebusinesslex.net/>

legislation, provided by a European network of Euro Info Centres, co-funded by Directorate General Enterprise, currently covering the 15 Member States and Norway and will progressively be extended to Acceding and Candidate Countries. According to ELEAS, many more enterprises are interested in doing e-business but they are still hesitant to fully engage in it. They often feel that the regulatory framework is very complex and that they lack basic information on the existing legislation and practical guidance on compliance. The legal questions addressed to ELEAS therefore remain, to a large extent, very general, either expressing unsubstantiated concerns or simply requesting more information on specific legal issues.

An important lesson to be learned from the information requests addressed to ELEAS is that most enterprises think predominantly in non-legal terms and as a result their questions do not specifically relate to legal issues. Frequently asked questions are related to practical aspects of e-business, encompassing commercial, technical and legal issues. For example, enterprises want to know the steps required in order to set up an online shop or how to respect the existing rules for the management of personal data, in particular on spamming. Other popular questions relate to payments, contracting and, here in particular, to the right of withdrawal from the contract, VAT and customs issues, legal and practical aspects of e-signatures.

Complementary to these findings, the Euroguichets' report on e-commerce of May 2003¹⁷ highlights that the handling of VAT procedures constitutes a major disincentive for SMEs wishing to do e-commerce, often leading to refusal to sell cross border. This confirms that many enterprises still seem to have general fears or concerns in relation to do business over the Internet. Legal concerns may contribute to this, without always being able to describe the practical problem which needs to be addressed.

In particular, cross-border electronic trade remains a mental barrier for many enterprises, which is associated with all kinds of potential problems. Enterprises that are un-familiar with distance selling discover that for this specific type of business, whether electronic or not, legal provisions which are different from those applicable to local trade need to be respected. An example of this is the right of the consumer to withdraw an order within a period of at least seven working days after the delivery. Many enterprises consider rightly or wrongly that this rule excessively favours consumers and that it is difficult to manage the related business risks.

In other cases, enterprises admit that they are not familiar with online payment systems or that they distrust the use of credit cards over the Internet, which coincides with consumer perceptions about and concerns on payment security over the Internet. Behind this suspicion is the general fear that they may not be paid after delivery, as consumers fear that they may not receive a delivery after an advance payment. Overall it would appear that not all enterprises are willing to accept the dual nature of distance selling via the Internet, which offers new business opportunities, by finding new customers and selling to distant markets, but undoubtedly also coincides with new business risks.

Based on the results of the consultation, it seems safe to conclude that the need to provide enterprises with better information on the regulatory framework for e-business will remain for the foreseeable future. However, such legal information should preferably be offered as part of a broader information package, including commercial and technological advice. Chambers of Commerce and business associations seem to be best suited to provide enterprises with such a mix of information, which would address the concerns of enterprises in a consistent

¹⁷ http://www.ecic.ie/resources/publications/EEC_e-commerce_report.pdf

and customised manner. In any case, it should be clearly understood that the objective and scope of such information services has to be limited to the provision of general legal information and that legal advice on specific legal problems cannot be offered, as this task is usually entrusted to lawyers and legal experts.

The provision of general legal information is particularly important for SMEs, for whom personal legal expertise is limited, and therefore the risks of running into legal conflicts are higher. For example, many SMEs seem to be unaware that even the existence of an individual website may be interpreted as commercial communication, which has to meet specific transparency requirements. In order to reduce the risks of being unaware of existing legal duties, the provision of basic legal information and guidance has to be considered, from an enterprise policy view, as a public service, which should be provided as widely as possible and on a sustainable basis.

A number of information services and contact points already exist at national and European levels, which aim to provide legal information on e-business related issues, such as the ELEAS network, the Euroguichets¹⁸ for consumers and the national e-commerce contact points¹⁹, as established under Article 19 of the e-commerce Directive. However, synergies between these initiatives could be better used in order to increase their efficiency and to ensure a better service for both consumers and enterprises.

3.2. The completion of the internal market for e-commerce – a permanent task

The Commission's Communication "A European Initiative in Electronic Commerce"²⁰ set the clear objective of creating a coherent European legal framework for e-commerce by the year 2000, with the view to building trust and confidence in e-commerce and ensuring an internal market for information society services. Since then, many legislative initiatives have been adopted, with some of them still in the process of being implemented at national level. The open consultation was launched in order to get more feedback from enterprises on the practical effects of the existing e-business legislation. Therefore, the open consultation complements other evaluation efforts in this field, such as the report on the implementation of the e-commerce directive and the report on the implementation of the data protection Directive²¹.

As a general conclusion, the results of the open consultation confirm that the adoption of a European legal framework for e-business has to be seen as a necessary, but by no means sufficient step for the establishment of the internal market for e-business. Despite the harmonisation efforts at European level, national differences and legal barriers, which hamper cross-border electronic transactions, still exist. Such differences create legal uncertainties and prevent companies from conducting their business electronically across the European Union. In this context, it is worthwhile noticing that only few of the reported legal barriers specifically relate to electronic transactions in the strict sense. In most cases, the complaints refer back to cross border transactions in general, thus confirming the view that e-business

¹⁸ For information on the Euroguichets see:

http://europa.eu.int/comm/consumers/redress/compl/euroguichet/index_en.htm

¹⁹ For information on the national e-commerce contact points, see:

http://europa.eu.int/comm/internal_market/en/ecommerce/contactpoints_en.htm

²⁰ Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions - A European Initiative in Electronic Commerce COM/97/0157 final

²¹ First report on the implementation of the Data Protection Directive (95/46/EC) COM (2003) 265(01)

acts as a catalyst for the internal market and facilitates cross border transactions. In doing so, existing obstacles for the proper functioning of the internal market are becoming more apparent.

The majority of the reported internal market problems are due to still existing differences between national legal provisions applicable to e-commerce. Such differences may exist as a result of the implementation of Directives, which follow the approach of minimal harmonisation, such as the Distance Selling Directive²². In this case, Member States are allowed to go beyond the requirements of the Directive and to adopt stricter rules, including the possibility of completely banning specific activities. Frequently referenced examples of this type are the right of withdrawal from a contract, which has been concluded at a distance, and the question of who bears the costs of returning the goods in case the consumer exercises this right. In this respect, the national legal provisions vary from one Member State to another, which is considered by many enterprises as a serious obstacle to cross border electronic transactions.

Another example mentioned in the replies to the open consultation, refers to the distance selling of pharmaceutical products, as facilitated by the Internet, which is prohibited in most Member States. As a result, the online sale of pharmaceutical products is only possible in some Member States, with cross border sales being subject to the national legislation of the country of the consumer. For enterprises, such differences between Member States are often difficult to understand, leading to frustration about the internal market and discouraging them from conducting electronic transactions across the borders. In this context, it is worth noting that a recent Court judgement²³ has declared legal the online selling of medicinal products not subject to prescription in the Member State concerned, alongside the advertising of such products.

The lack of full harmonisation also applies to the protection of personal data. In this respect, enterprises complained that the data protection rules established by the data protection Directive²⁴ are being interpreted differently from one Member State to another, thus imposing disproportionately high burdens to economic operators wishing to operate European wide data processing systems. The first report on the implementation of the data protection Directive identified this problem and confirmed that different implementations and practices exist in the Member States, which, in some cases, result from incorrect implementation of the Directive. In order to address this problem, the Commission services are currently organising bilateral meetings with Member States, with the aim of harmonising national legislation fully with the Directive. However, as acknowledged in the report, some national divergences will continue to exist, as the Directive itself offers a large margin of manoeuvre to the Member States.

In addition, a lack of full harmonisation in the field of e-invoicing was also subject to criticism in the consultation. Respondents to the consultation complained about divergent rules in this area as well as about the strict conditions imposed by some countries. Some complaints in the consultation referred, for example, to the fact that additional paper requirements in case invoices are sent through EDI add unnecessary complications, since EDI

²² Directive 97/7/EC of the European Parliament and of the Council of 20 May 1997 on the protection of consumers in respect of distance contracts, OJ L 144 , 04/06/1997 P. 0019 - 0027

²³ Judgment of the Court of 11 December 2003, Case C-322/01, Deutscher Apothekerverband eV and 0800 DocMorris NV, Jacques Waterval

²⁴ Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data O.J. L 281 , 23/11/1995 P. 0031 - 0050

solutions are considered as a simple but secure solution for sending invoices electronically. Similarly, according to other complaints, the requirement imposed by some countries for qualified certificates is seen as problematic due to the higher handling costs and the lack of commonly agreed standards in this area.

It should however be noted that, the new Directive on VAT invoicing has created for the first time a clear legal basis for the acceptance of e-invoices for VAT purposes. The comments received in the consultation should be considered against the background that the consultation was realised a few weeks before the implementation of this directive by Member States and therefore can not reflect practical problems really experienced by companies in cross border trade as a result of the application of the Directive. It is also true, however, that the directive still makes it possible, since 1 January 2004, for Member States to use certain options in the area of electronic invoicing.

This was motivated in the Council by the necessity to accommodate the different positions of Member states on this sensitive issue in an area where the decision-making process requires unanimity and where the interests of enterprises need to be balanced against the need to tackle the problem of tax fraud.

In this respect, it should also be noted that many complaints about inadequate legal provisions for e-invoicing refer back to problems of the technical implementation of the e-signatures Directive²⁵. A frequently mentioned matter of concern is the lack of common standards in this area, which has resulted in different technical implementations of the Directive. Some Member States were strongly criticized for imposing too strict technical requirements for e-signatures. On the other hand, European standardisation initiatives, such as the European Electronic Signatures Standardisation Initiative (EESSI)²⁶, which resulted in a set of legally recognised European standards²⁷ in support of the e-signatures Directive, remained widely unnoticed by the enterprises calling for European harmonisation in this field. Further promotion of these European standards seems to be necessary to better address the problems of interoperability in the area of e-signatures.

Further internal market distortions and uncertainties for companies may result from a lack of implementation of European legislation at national level. A number of complaints have been issued in this respect. For example, questions related to the conditions under which unsolicited e-mail communications are allowed, were raised by companies in Member States where the e-privacy Directive, which regulates the problem of “spamming”, has not yet been implemented. The Commission services are aware of this problem and infringement procedures were initiated against those Member States, which did not respect the implementation deadline of 31 October 2003. In addition, a number of legal barriers were reported by enterprises in the Acceding Countries, in particular related to the legal validity of e-invoices and electronically concluded contracts, which have not yet been transposed in these Countries. The transposition process in these Countries will have to be completed by the date of accession (1 May 2004).

²⁵ Directive 1999/93/EC of the European Parliament and of the Council of 13 December 1999 on a Community framework for electronic signatures OJ L 013 , 19/01/2000 P. 0012 - 0020

²⁶ For information on the European Electronic Signatures Standardisation Initiative (EESSI), see: http://www.ict.etsi.org/EESSI_home.htm

²⁷ Commission Decision 2003/511/EC on the publication of reference numbers of generally recognised standards for electronic signature products in accordance with Directive 1999/93/EC of the European Parliament and of the Council , OJ L175, 15/7/2003 P.45

Other complaints suggested an incorrect transposition of the European legislation into national law. For example, it was reported that the legal validity of electronic contracts in the area of financial services is not always ensured. Another complaint referred to registration requirements in the country of destination for the provision of online services from another Member State. Both complaints may hint to an incorrect implementation of the e-commerce Directive by the Member State in question. Complaints of this type will be further examined by the relevant Commission service and appropriate action will be taken if necessary, in response to the reported problems.

Another type of complaint relates to the enterprises' opinion that existing e-business legislation is inappropriate or unsatisfactory. Altogether, 24.5% of the respondents shared this view, in most cases without providing further explanations. However, some very specific comments were also received, relating to the recently adopted legal framework for unsolicited commercial e-mails ("spamming"), which is perceived as an excessive burden by enterprises wishing to send such e-mail communications as part of their marketing strategies. On the other hand, it has to be noted that spamming is one of the major discouraging factors which keeps consumers away from e-commerce. Similarly, the consumer's right of withdrawal from the contract, in the case of distance selling, is often considered by enterprises to excessively favour consumers, while for consumers it is considered as a necessary condition to build trust in distance selling.

Therefore, what is considered by enterprises as a legal barrier is often seen by consumers as a pre-requisite to engaging in electronic transactions. Such diverging positions were well known when the relevant legislation was adopted, in view of striking a fair balance between the different interests at stake. In particular in the field of consumer protection, legislation aiming at increased market transparency and simplicity for business, while at the same time ensuring a high level of consumer protection, should be seen as a necessary condition to built trust, of both sides of the market, in electronic transactions²⁸.

Besides the above-mentioned legal barriers, a number of other complaints point to areas such as online insurance services. There are several Community acts applicable to insurance which have laid down a legal framework not always easy to identify or understand. Enterprises could apparently be discouraged from offering such services across borders via the Internet. Currently, certain insurance services are subject to derogation from the internal market principle of the e-commerce Directive. However, as stated in the report on the implementation of the e-commerce Directive, the Commission has launched a discussion with Member States and stakeholders to examine the possibility of removing this derogation clause, in order to facilitate the online development of cross border insurance services.

Similarly, enterprises complained about different national rules for online gambling activities, which are currently outside the scope of the e-commerce Directive. As stated in the report on the implementation of the e-commerce Directive, the Commission will examine the need for and scope of a possible new Community initiative in this field.

Another complaint of this type raised in the consultation, concerns excessive national legal requirements for the provision of online payment services, which prevent new operators, other than banks, entering into the payment market. This problem has been addressed by the recent

²⁸ Examples of recently proposed legislation aiming at these objectives are the Proposal for a Directive on unfair Business-to-Consumer commercial practices, COM(2003) 356 final, and the Proposal for a Regulation on Enforcement cooperation, COM (2003) 443 final

Commission's Communication on a new legal framework for online payments in the internal market²⁹, which aimed to launch an open debate on this issue with a view to exploring the possibility of enhancing competition in the payment market.

3.3. Towards e-business integration and new business models – the legal challenges ahead

E-commerce activities, such as online buying and online selling, are just one element of e-business. Beyond this, more and more enterprises increasingly use ICT to improve the efficiency of internal business processes and their relations with business partners, public authorities and consumers. More than half (56.6%) of the enterprises participating in the consultation were actively engaged in online collaboration with business partners and a large number of them (40.7%) applied advanced e-business tools, such as for accounting and management purposes. These e-business activities generate an increased flow of digital data, both internally and in exchange with business partners, with the aim of automating business processes and thus improving efficiency and reducing costs. Although the paperless office is still a vision, more and more information and data is produced, stored and exchanged in digital format.

However, the legal recognition of the various types of electronic documents used in business processes is not always ensured, which is a matter of great concern for many companies. Many replies to the open consultation point to this problem, which has not, until now, received much political attention, although the automatising of business processes is key to fully reaping the productivity gains of e-business. For example, a company complaint that trade documents, such as export licences and certificates of origin, warehouse warrants and receipts are not always legally recognised in electronic format by customs and other competent authorities. As a result, paper documents still have to be used, since only they are considered legally valid, e.g. for taxation purposes. The implementation of the Communication on a simple and paperless environment for Customs and Trade³⁰ which foresees an electronic treatment of all customs regimes, simplification of customs legislation and a single window approach for all customs-related legislative requirements, aims to remedy the situation and enhance competitiveness for EU businesses.

In order to be efficient, e-business requires that all relevant documents can be exchanged in electronic format among enterprises, as well as with public authorities, with full legal effect. For example, as reported in the consultation, international transactions involve many different players, such as banks, couriers, importers, exporters, customs authorities, etc., with many different types of documents exchanged between them. This requires harmonised electronic formats for data exchange, as well as the legal recognition of the exchanged electronic documents, not only in and between Member States, but also internationally. An economic study on the costs which result from the need to keep such documents available both in paper and electronic format in order to respect the different national legal requirements, could provide further transparency on this issue.

²⁹ Communication from the Commission to the Council and the European Parliament, concerning a New Legal Framework for Payments in the Internal Market (Consultative Document) COM(2003) 718 final, of 2.12.2003; More information in:

http://europa.eu.int/comm/internal_market/payments/framework/index_en.htm

³⁰ COM (452)2003

Some harmonisation efforts have already been undertaken in this direction, such as with the legal recognition of electronically concluded contracts, e-signatures and e-invoices, as well as the electronic submission of customs declarations including transit declarations³¹.

In addition, the proposal for a Directive on services in the internal market³² foresees that all procedures and formalities relating to access to a service activity and to the exercise thereof may be completed at a distance and by electronic means. However, more work needs to be done at European and international level in order to identify the types of commercial documents which need to be legally recognised. In addition, international standards for the exchange of electronic documents should be promoted as a matter of priority.

Another important issue raised by the consultation refers to the question of whether the current European legal framework for e-business is sufficiently flexible to support new business models and new technologies for e-business. The aim of the European legislator has always been to remain “technology-neutral” and to keep regulation as minimal as possible. According to these principles, as further elaborated in the Commission’s framework Communication describing a “European Initiative on Electronic Commerce”, any legislative action should only regulate what is strictly necessary in order to ensure the proper functioning of the internal market for e-commerce and should be drafted in a technologically neutral manner to avoid the need to constantly adapt the legal framework to new developments.

However, as indicated by some replies to the consultation, the objective of a technology-neutral legal framework may be difficult to achieve. In some cases, the legislation was explicitly based on specific technologies or business models, such as in the case of e-signatures. Whether these assumptions, on which the Directive has been based, are the most appropriate, has been questioned in the consultation. It has to be admitted, that at the time when this Directive was adopted, e-business was still in its infancy and no extended impact assessment had been carried out. The same applies to the information requirements of the distance selling directive which are implicitly based on computers as the main technology to provide Internet access. It has been reasonably questioned whether such information can easily be provided in the case of mobile commerce, due to objective constraints resulting from the small size displays of mobile phones. Similarly, the requirement by some Member States of a qualified electronic signature for e-invoices, has been considered by respondents to the consultation as an excessive solution which requires extensive technical requirements and high costs and does not therefore respond to business needs.

New trading models, such as business-to-business online auctions, may create new legal challenges, in particular with respect to ensuring fair trade. Some very strong reservations were expressed against specific trading practices in online reverse auctions, which are perceived as unfair or unethical. Respondents complained, for example, about missing or unclear information on the rules for the participation in online auctions or on the rights of the initiator of an auction to submit bids. Other complaints refer to practices in reverse auctions,

³¹ Art. 61 of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code, *OJ L 302*, 19/10/1992 P. 1–50
Arts. 1 and 353 of Commission Regulation (EC) No 2787/2000 of 15 December 2000 amending Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (Text with EEA relevance) *OJ L 330*, 27/12/2000 P. 0001 – 0086
Article 388f of Commission Regulation (EC) No 502/1999 of 12 February 1999 amending Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code, *OJ L 065*, 12/03/1999, p. 1–49

³² COM(2004) 2 final of 13.1.2004

which are considered as unfair, such as the lack of transparency on the conditions under which the winner is selected, on the duration of an auction, or on product specification.

Since online auctions are a relatively new phenomenon, they are not yet subject to specific legislation at Community level. In this respect, the general rules of the e-commerce Directive apply, for example with respect to the transparency requirements for information society service providers. In some Member States there are legal provisions specifically applicable to online auctions, whereas in other Member States the legal provisions for traditional auctions and general contract law apply. As a result, many enterprises find it apparently difficult to ascertain which of the perceived “unfair” business practices are indeed illegal and which are not, thereby adding to the general uncertainties associated with e-business.

The problem of unfair business practices in business-to-business electronic trade, notably in the form of electronic auctions, is not predominantly an internal market problem, although different legal provisions on unfair competition may further complicate electronic transactions across borders. Therefore, there may be a need to further explore whether the differences in national legislation applicable to online auctions constitute an obstacle for the further development of e-business in Europe. As regards business-to-consumer unfair commercial practices, the Commission has made a proposal for a Directive to harmonise provisions on unfair practices, with the view to increasing regulatory simplicity for businesses, whilst ensuring a high level of consumer protection.

An expert group, set up by Directorate General Enterprises in order to identify potential risks in the area of unfair practices in business-to-business online auctions, concluded that, at this stage no urgent need for legal action at European level exists. On the contrary, the expert group has stressed the importance of self-regulation in promoting fair trade in electronic auctions and has strongly recommended the development of codes of conduct in this area by the private sector. The Commission will adopt a Communication on fair trade in business-to-business electronic markets, in the first half of 2004, with the view to encouraging the private sector to develop codes of conduct based on the recommendations of the expert group³³.

In addition, the European business-to-business e-marketplaces portal³⁴, co-funded by Directorate General Enterprises, will be instrumental in promoting trust in electronic markets, through a number of actions, such as the collection and dissemination of codes of conduct and the establishment of independent rating systems and hot-line services to get feedback from SMEs on unfair behaviour in electronic markets.

4. CONCLUSIONS

The online consultation on legal barriers for e-business has provided further evidence that many practical legal barriers still exist which may prevent enterprises from doing business electronically. The main conclusions from this consultation are:

- Although the e-business legal framework has been largely completed at European level, enterprises’ knowledge about the applicable law remains remarkably low. This may add to general reservations against further steps towards e-business. Several

³³ For more information on the Report of the expert group on B2B Internet trading platforms, see: <http://europa.eu.int/comm/enterprise/ict/policy/b2b/wshop/fin-report.pdf>

³⁴ For more information on the European B2B e-marketplaces portal, see: <http://www.emarketplaces.com/>

information services exist at national and European level to better inform enterprises and consumers about e-business legislation, but their efficiency needs to be further improved, by fostering co-operation between the networks and improving the efficiency of their feedback mechanisms.

- Many differences still exist between national legal provisions applicable to e-business, which are considered by enterprises as internal market barriers, as they raise legal uncertainties and the cost of compliance with law. Enterprises would favour fully harmonised rules, which would increase legal certainty in e-business and encourage companies to conduct business electronically across the borders. In particular, in the field of consumer protection, full harmonisation would strengthen confidence in the internal market for consumers and business alike. Most of the reported legal problems are known to the Commission services and in some cases, such as the provision of online insurance services, work is underway to explore the possibility to remove them. However, in other cases, such as distance selling, the problems may continue to exist, since the relevant directives explicitly leave scope for different rules by the Member States.
- What is perceived by enterprises as a legal barrier, may take different forms, ranging from a lack of legislation to over-regulation, which may result both in barriers to market access or unduly high costs. This clearly calls for an extended impact assessment, whenever new e-business legislation is considered. In addition, it seems opportune to review at a given moment existing legislation with respect to its practical impact. Another possibility to reduce costs for enterprises is to benchmark different national legal solutions with respect to their compliance costs, with the view to identifying best governmental practices, for example for the use and legal recognition of electronic signatures.
- E-business implies more than just buying and selling online. It affects all business processes, resulting increasingly in an automated electronic data exchange not only between enterprises, but also between enterprises and public administrations. The legal recognition of all kinds of electronic documents is therefore a matter of raising concern for enterprises, which are keen to use e-business as a tool for reducing costs and enhancing productivity. Higher political priority should be given to facilitate this process, by removing still existing legal barriers to the use of electronic documents in an efficient and legally acceptable manner and by promoting internationally accepted standards for the electronic exchange of documents. Again, also in this respect benchmarking may help to identify best possible administrative solutions.
- The further development of information and communication technologies as well as the establishment of new e-business models is creating new legal challenges. Legislation based on Internet access via stationary personal computers may, for example, be difficult to apply to mobile commerce. E-business legislation should be, as widely as possible, technology neutral and this requires a continuous review of certain legal provisions, which are explicitly or implicitly, based on specific technologies or business models. In this respect, the e-invoices Directive provides a good example of how different technologies can be used, without creating an internal market problem.
- The emergence of new business models, such as business-to-business online auctions, is creating new legal challenges. For example, new conflicts or unfair business practices may arise, in particular during a transitional phase where not all market

players are fully aware of the new market rules and practices. It is too early to decide whether the existing legal framework is sufficient to address these new challenges. However, self-regulation, such as through codes of conduct, rating systems and standards, will have to play a major role in promoting fairness and transparency in such trading modes. The results of the consultation suggest that the further development of electronic auctions needs to be closely monitored in order to avoid discriminatory effects, in particular for smaller enterprises.

ANNEX

Response statistics for 'Consultation on LEGAL PROBLEMS IN E-BUSINESS'

Status : Inactive

Date open : 15-SEP-03

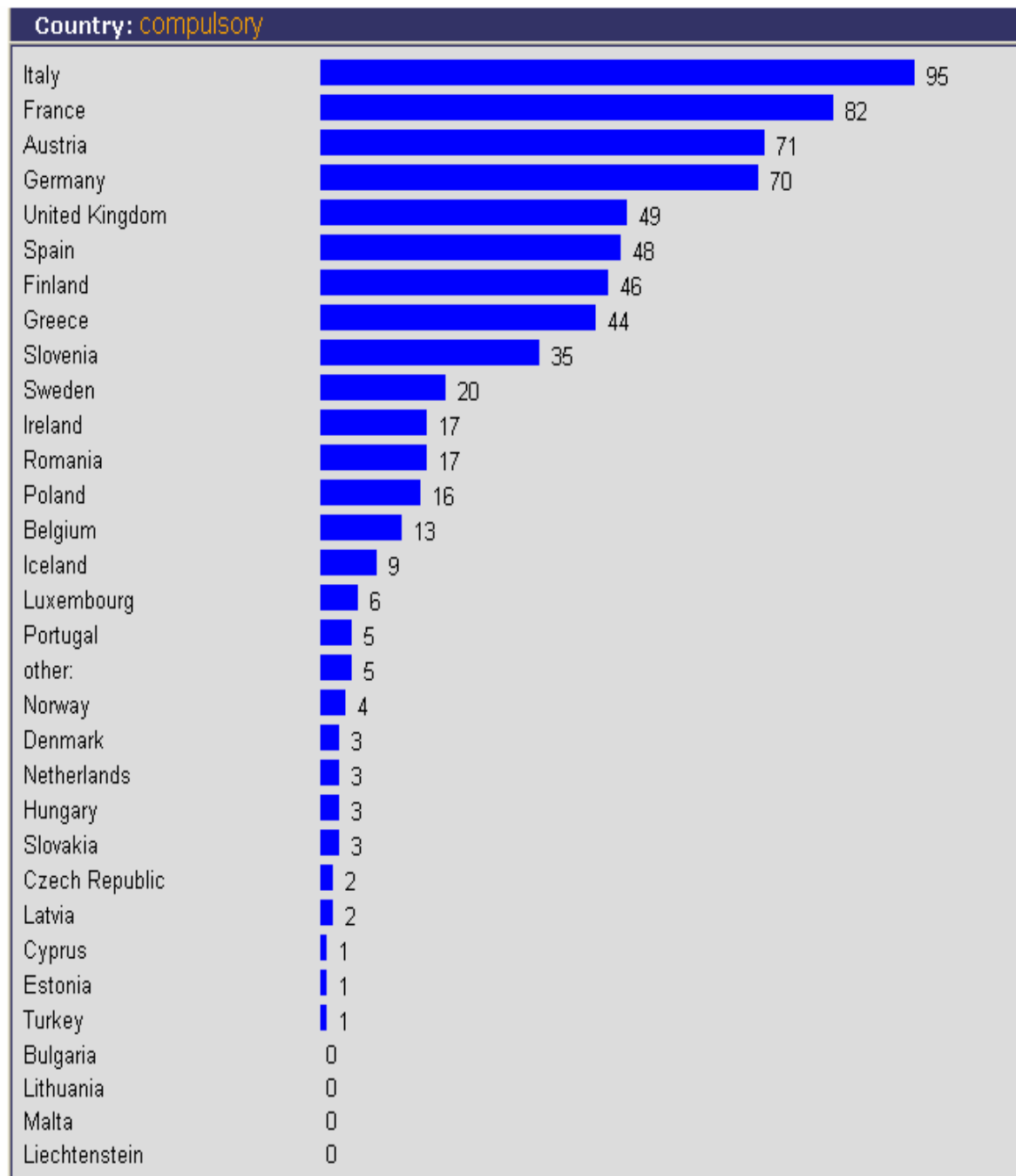
End date : 18-NOV-03

There are 671 responses on 671 in the current set for your criteria

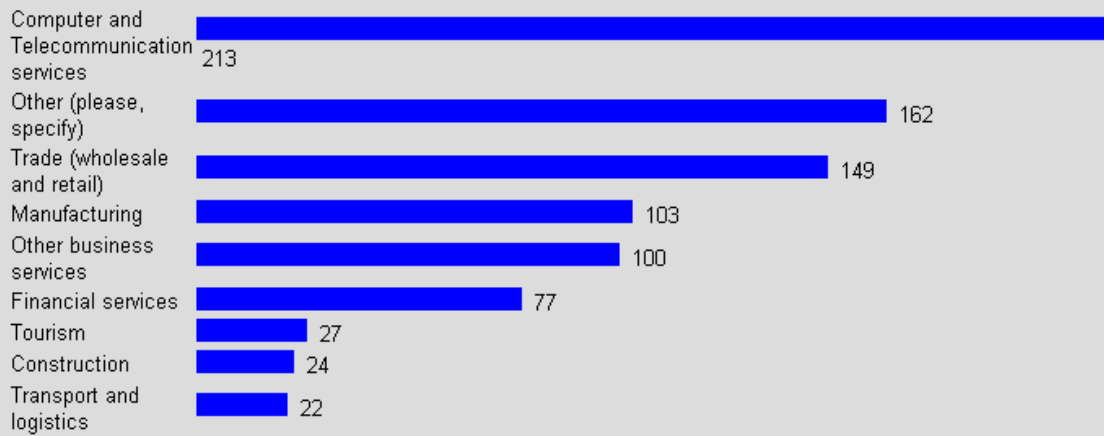
Results :

Part I: Background information

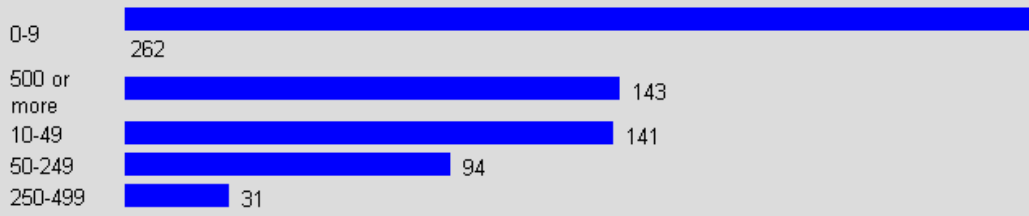
Total Responses : 671 on 671



In which sector(s) is your enterprise active? (Please select one or more sector out of the following list) compulsory



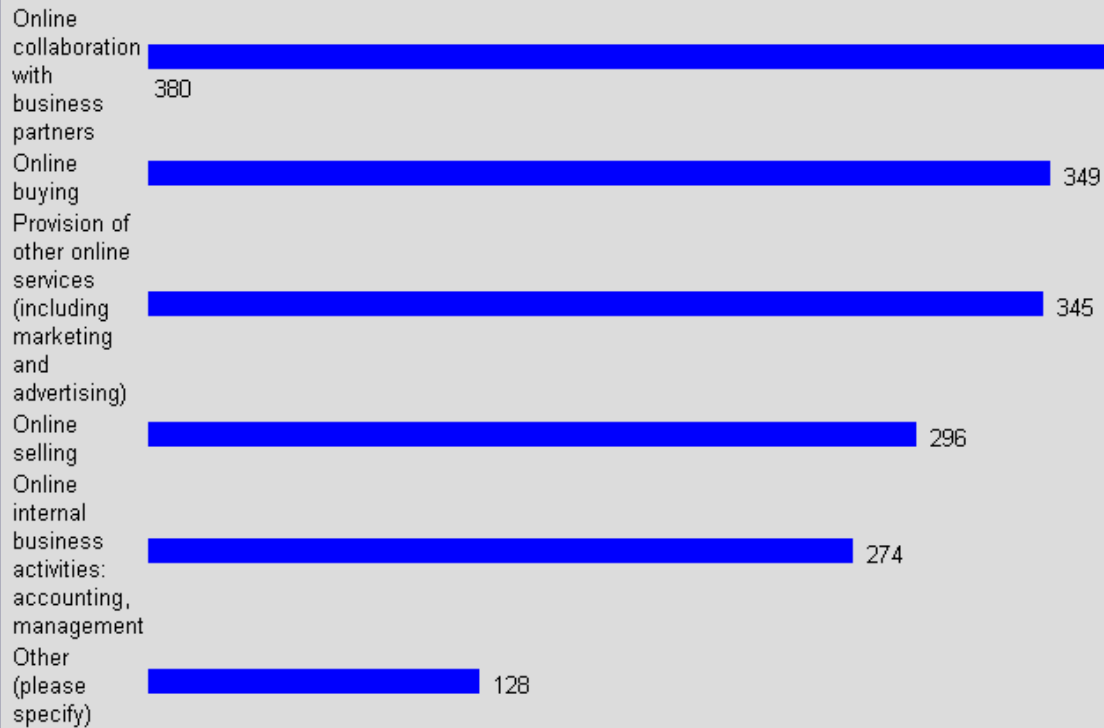
Number of persons employed compulsory



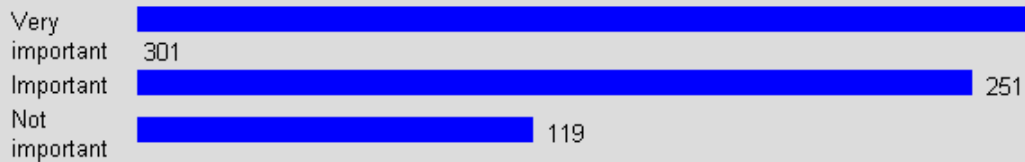
Part II: Experience in e-business

Total Responses : 671 on 671

In which area(s) of e-business has your enterprise gathered practical experience?
[multiple choice possible] compulsory



How would you describe the importance of your e-business activities? compulsory



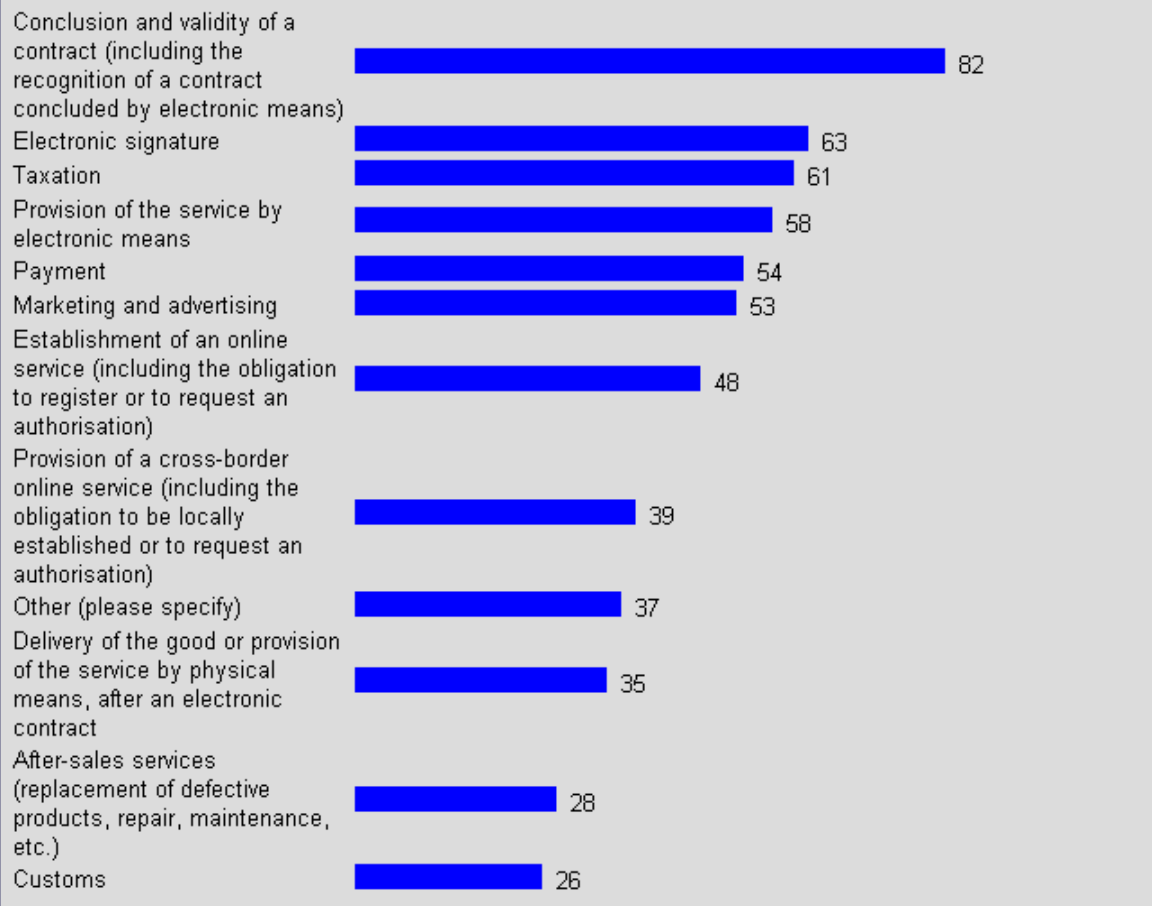
Part III: Legal problems experienced

Total Responses : 671 on 671

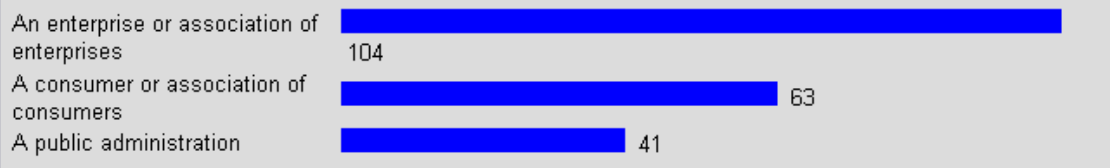
When doing e-business, has your enterprise experienced any legal problem?
compulsory



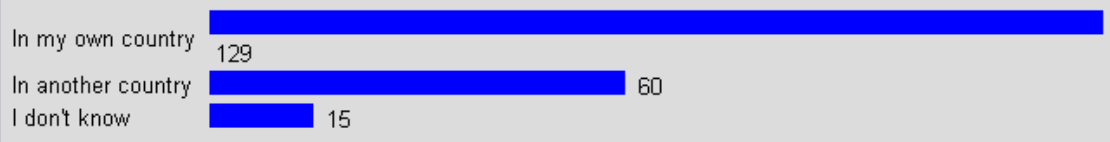
In which of the following activities did it occur? (In case of more than one problem, please choose the most important) field optional



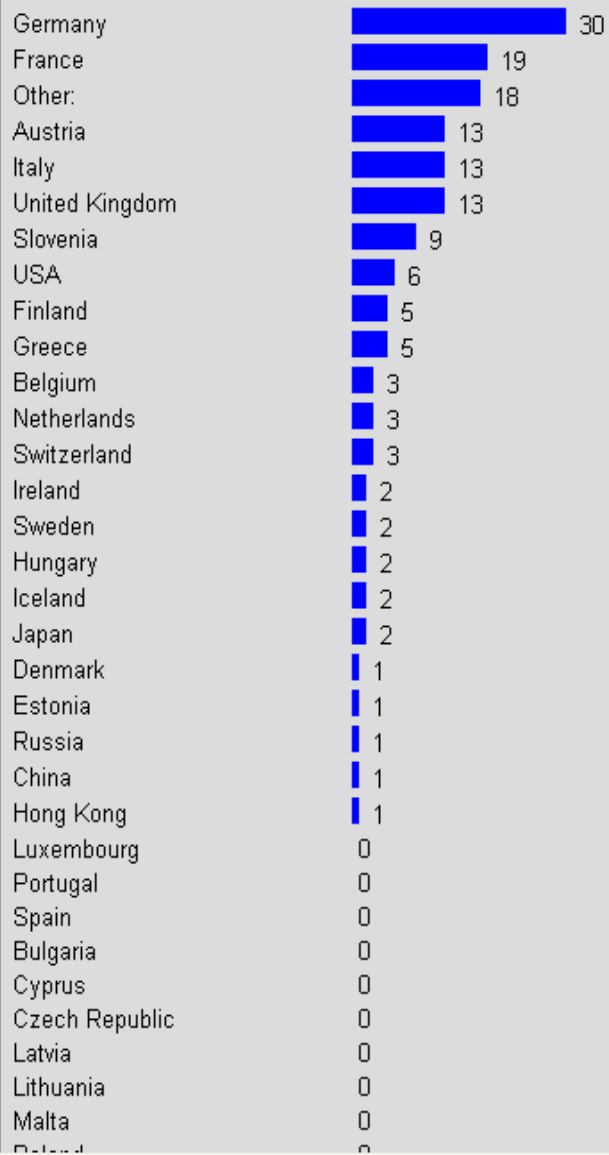
Please specify who the other party involved was? field optional

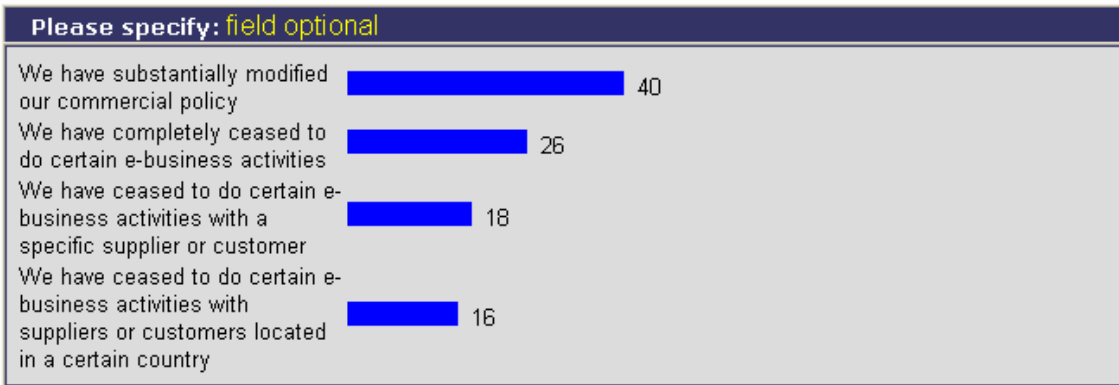
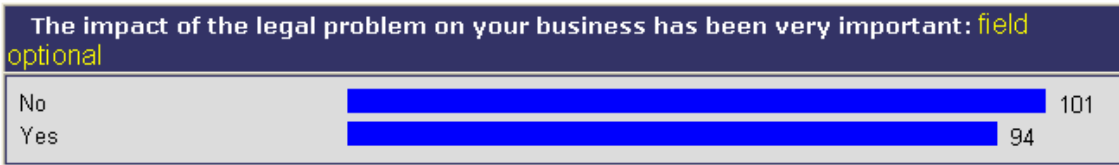
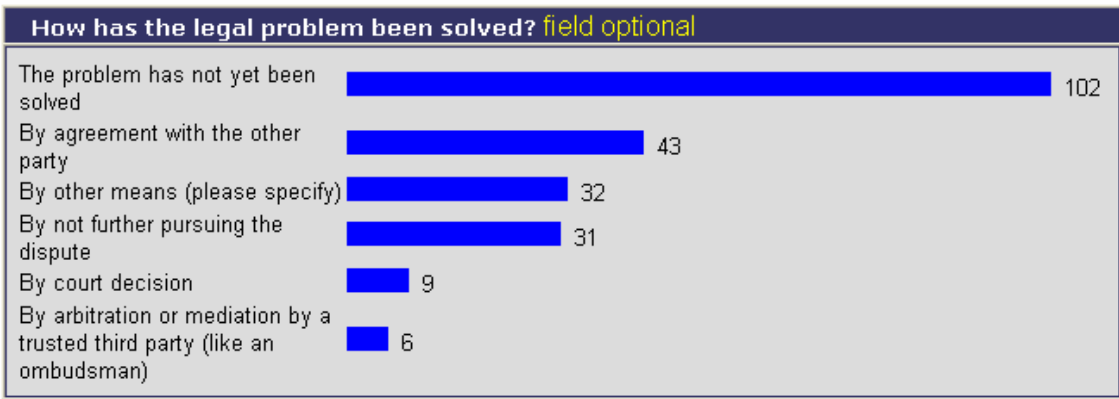
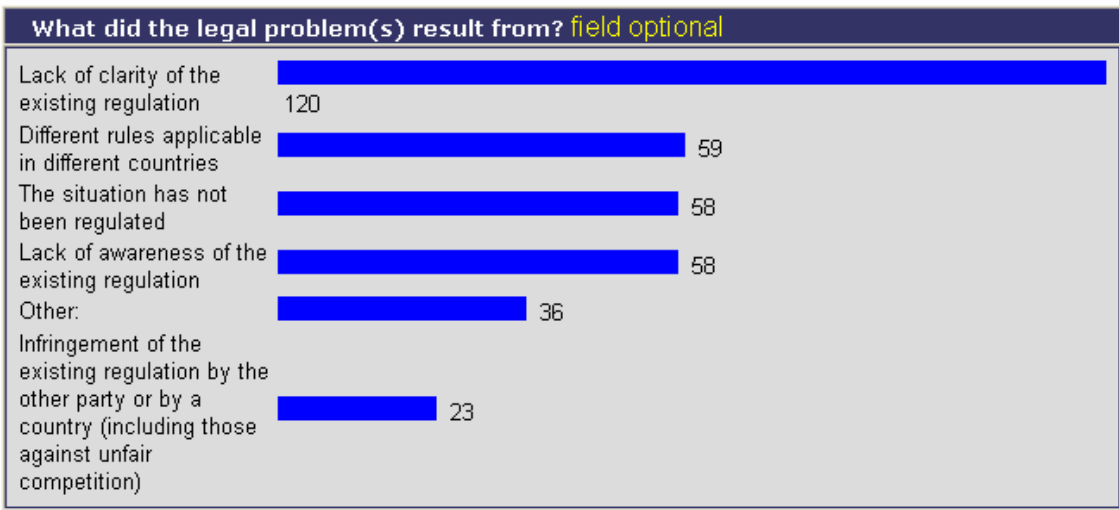


Please specify where the other party was located: field optional



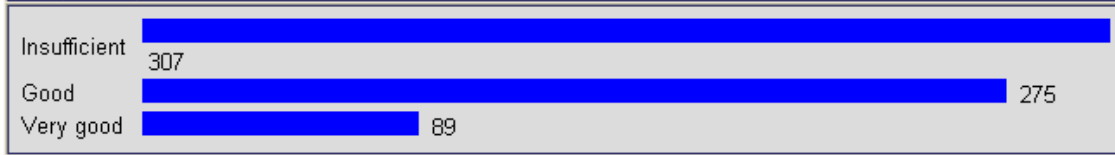
Please specify the other party's country: field optional



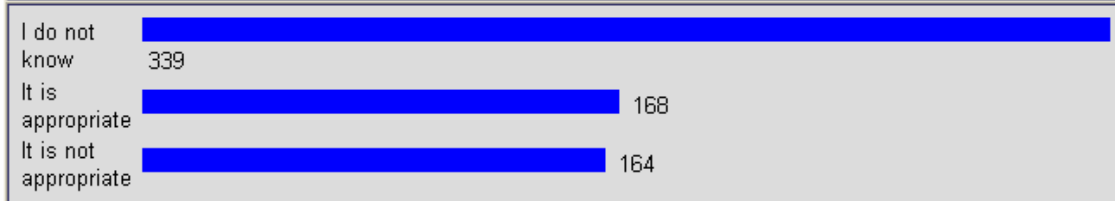


Part IV: Additional issues
Total Responses : 671 on 671

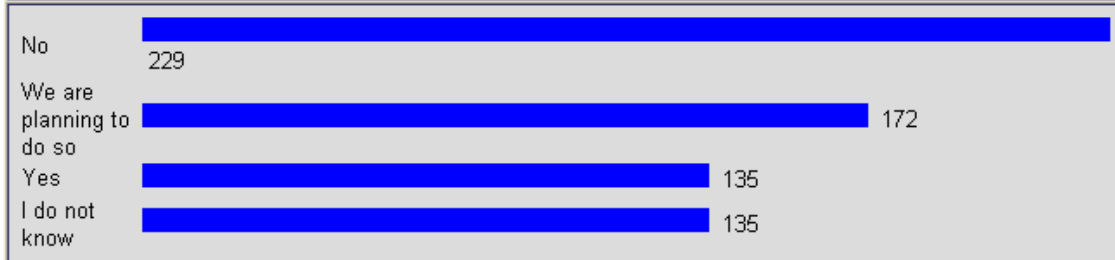
What is your level of information about the existing legislation on e-business?
compulsory



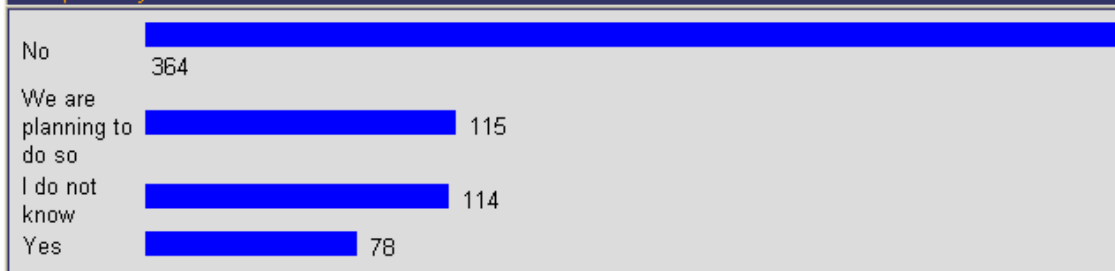
What is your opinion about the existing legislation on e-business? compulsory



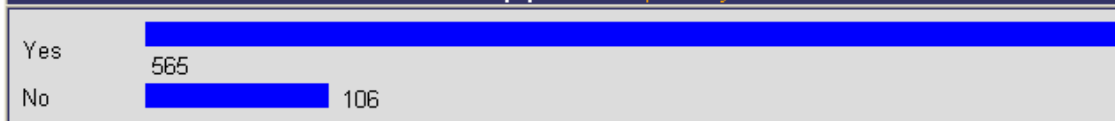
If your enterprise does e-business, does it subscribe to any Code of Conduct describing the legal obligations when doing e-business? compulsory



If your enterprise does e-business, does it participate in a trustmark programme?
compulsory

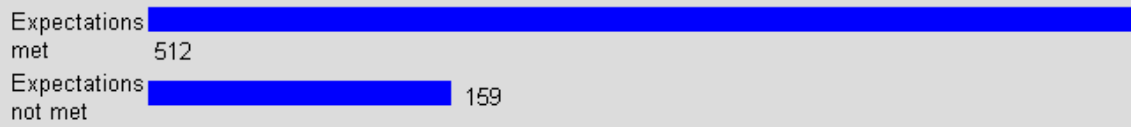


Do you accept that the services of the Commission may contact you for giving further details on the information submitted by you? compulsory



Thank you for participating in this consultation!
Total Responses : 671 on 671

How did you perceive the questionnaire? compulsory



Why? field optional

