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TACD Recommendations for the EU-U.S. cooperation agenda

Working group 4: ICT Security and Competitiveness

Introduction

After years of tensions, a new cooperation agenda between the EU and the U.S. is welcomed by the Transatlantic Consumer Dialogue (TACD), a coalition of over 75 leading European and U.S.-based organisations representing the consumer interest.

During the TTIP negotiations, <u>TACD called for voluntary regulatory cooperation</u> between the EU and the U.S., rather than mandatory 'regulatory convergence', 'harmonization', or 'mutual recognition' through a "trade" agreement. Such voluntary cooperation can be beneficial for consumers, as long as it raises consumer protections, protects consumer rights, and does not cap or exert downwards pressure on consumer protection, current or future.

The EU and the U.S. need to get this new cooperation agenda right to help their people face the new challenges of this critical time. The agenda should help consumers address the impact of climate change and address their concerns related to public health, technology, and market-place fairness.

RECOMMENDATION #4: Strive towards a fair, safe, and just digital society

1. Foster healthy competition in the digital sector

Digital Markets play an ever more significant role in people's lives. The rise of the platform economy has exacerbated the power imbalances between key actors in the digital marketplace. Consumers confront a powerful and growing online system which is able to take advantage of them using a combination of online surveillance and often manipulative marketing techniques, increasingly driven by the latest applications in AI and machine learning. Monopolization of digital services, including social networks and search tools, as well as the collective operations of multiple online partners, can lead to locked-in consumers being deprived of meaningful choice.

How the joint competition dialogue could address problems consumers face:

- We recommend creating a transatlantic working group for mergers in the digital sector, mirroring the transatlantic working group for mergers in the pharmaceutical sector that was set up in March 2021.
- The joint dialogue should enable authorities to coordinate more closely their respective antitrust policy development and enforcement cases, including remedies with the aim of ensuring consistent outcomes for consumers, where digital players operate on a transatlantic basis.

2. Trade & Tech council

The TTC intends to create a platform for cooperation between the EU and the U.S. to discuss tech issues having repercussions on trade flows. Several working groups of the TTC will address issues that

are relevant for consumers, such as platforms, data governance, artificial intelligence, and global challenges.

The TTC should not be used as a tool to deter the EU and U.S. ambition to regulate to better protect consumers. For example, the U.S. administration should not use it as a vehicle to threaten the EU with tariffs retaliation linked with the adoption of much-needed laws such as the EU Digital Services Act or the Digital Markets Act.

The TTC and other dialogues of the cooperation agenda should address key obstacles consumers in the EU and the U.S. are facing in the digital market:

2.1 Creating competitive and consumer-friendly telecoms markets for all

People rely on electronic communication services in their daily lives, whether to stay in contact with their family and friends or to work. But the reality is that today many consumers still do not enjoy a high-quality fixed or mobile connection. For many consumers, communication services remain expensive. Prices are particularly prohibitive when people travel from one side of the Atlantic to the other and want to use their phone or check their e-mails.

Working group 4 on Information Communication Technology and Services Security and Competitiveness should:

- Exchange ideas on ensuring affordable, high-quality broadband access to all, all the time.
- Exchange information on the benefits of ensuring net neutrality and prohibiting zero-rating.¹
- Address consumer aspects related to the deployment of new network generations such as 5G.
 For instance, both sides should exchange information about current misleading 5G offers to consumers, which is expensive, and, in many instances, only marginally better than the quality of service provided by 4G.²
- Explore ways to make the communications markets more competitive. More competition has
 a positive effect on consumers, notably by increasing innovation, quality of the services,
 consumer choice, and price reductions.
- Discuss the possibility of entering into an international agreement to reduce roaming surcharges, building from the successful Roam-Like-At-Home model in the EU.

Our full position for the EU-U.S. cooperation agenda: https://tacd.org/wp-content/uploads/2021/12/20211206-FINAL_TACD-recommendations-on-EUUS-cooperation-agenda-2021.pdf

TACD has developed four recommendations to make sure that this new cooperation agenda will deliver to consumers:

- 1. The overall process should be transparent and involve public interest groups in a meaningful way.
- 2. The cooperation on health should seek to ensure access to safe and affordable medicines for all
- 3. The cooperation on sustainability should explore how the green transition will include consumer protections and incentives, notably by cooperating on sustainable finance.

¹ https://curia.europa.eu/jcms/upload/docs/application/pdf/2021-09/cp210145en.pdf

² See https://www.beuc.eu/publications/beuc-x-2020-108 berec 2021 work programme consultation beucs response.pdf (pp. 2-4) and https://www.beuc.eu/publications/beuc-x-2019-045 beuc response on impact of 5g.pdf

4. The joint technology competition dialogue and various Trade and Technology Council (TTC) working groups should pave the way towards a rights-respecting digital environment and fairer and safer markets for consumers.

Most importantly, the cooperation agenda must remain a platform to inform and exchange good practices, not a tool to influence each other's legislative processes or deter each other from improving protections.