

G20 Consumer Summit  
Building a digital world consumers can trust  
Expert Panel 5: Legal frameworks



**verbraucherzentrale**

*Bundesverband*

# CONSUMERS IN A DIGITAL WORLD: CHALLENGES FOR THE LEGAL FRAMEWORKS

Dr. Otmar Lell,  
Head of Unit Legal Affairs and Trade  
Verbraucherzentrale Bundesverband e.V. – vzbv

# WHAT IS DIFFERENT IN A DIGITAL WORLD FOR CONSUMERS?



Image: [www.forbrukderradet.no](http://www.forbrukderradet.no)

<https://www.forbrukerradet.no/siste-nytt/connected-toys-violate-consumer-laws/>  
<https://www.youtube.com/watch?v=YFUy4wkxp20>

# WHAT IS DIFFERENT IN A DIGITAL WORLD FOR CONSUMERS?

## Information is

- recorded in unprecedented quantity and quality
- available everywhere and anytime
- compiled and analysed in many ways

## For consumers this means

- innovative products and services, but also
- threats to privacy
- technical and legal complexity
- new economic risks

# „PAY WITH YOUR DATA“ SEEN FROM A CONSUMER LAW ANGLE

facebook

Keep me logged in    Forgot your password?

Email

Facebook helps you connect and share with the people in your life.

**Sign Up**  
It's free and anyone can join

First Name:

Last Name:

Your Email:

New Password:

I am:

Birthday:

Why do I need to provide this?

[Create a Page for a celebrity, band or business.](#)

vzbv: „Facebook is and will remain free“ is an illegal claim.  
Facebook users pay with their data.

# WHAT TO DO ABOUT COMMERCIAL USE OF PERSONAL DATA?

## Establish red lines for data collection and analysis

- Best practice: European Data Protection Regulation

## Empower consumers:

- Consumer's explicit consent required for data collection
- Make information about data use really simple
- Break up the „**Black Box Principle**“: Give access to personal data, disclose the function of algorithms

## Monetize personal data?

- Brings „paying with your data“ into the light
- But what are the social consequences?

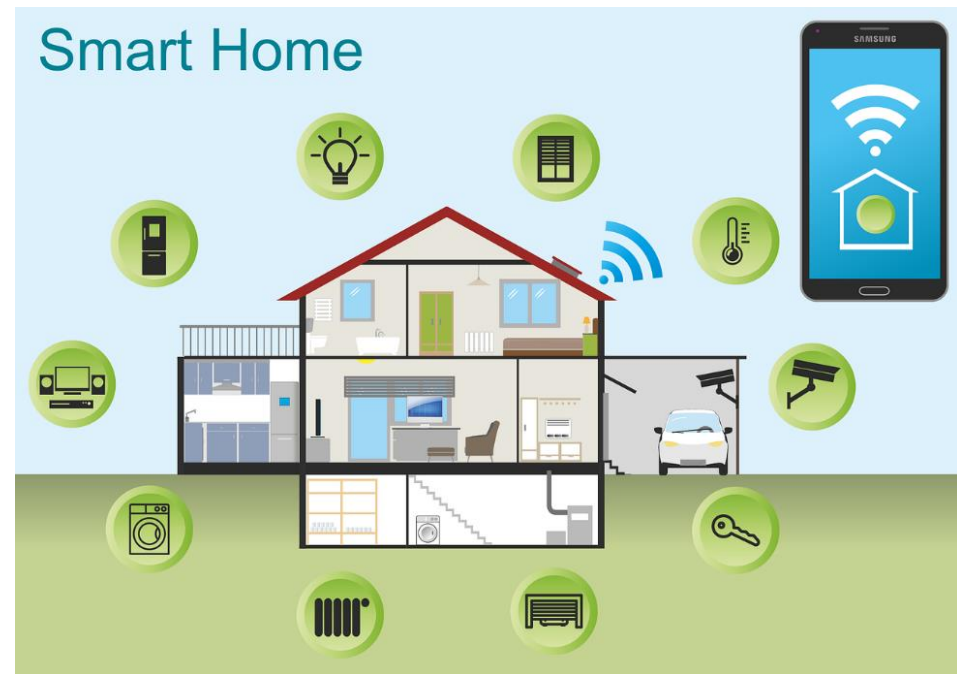
# SAFETY, SECURITY AND LIABILITY: THE BLIND SPOT IN THE DIGITAL WORLD

Consumers are faced  
with **low standards** for

- **IT Security**
- **Product safety**
- **Liability**

What consumers need:  
**Equal level of protection  
online and offline**

→ **International standards!**



# CONSUMER INTERESTS AND COMPETITIVENESS

- **National governments** fear that consumer oriented regulation will make them fall back in the **race towards digital transformation**.
- **International trade agreements** see regulation in the consumer interest as a **barrier to trade**.
- Think it the other way round: Digital transformation should **serve consumers' interest and protect their personal rights** in the first place!
- It is of utmost importance to come to **international agreements to protect consumer interests in the digital world**.

**Thank you for your  
attention!**

## **Impressum**

Verbraucherzentrale  
Bundesverband e.V.

Markgrafenstraße 66  
10969 Berlin

info@vzbv.de  
www.vzbv.de

**verbraucherzentrale**

*Bundesverband*