## <u>Social media companies need to do more</u> <u>to fully comply with EU consumer rules</u>

The changes made by Facebook, Twitter and Google+ to align their terms of services with EU consumer protection rules have been published today.

These changes will already benefit more than a quarter of a billion of EU consumers who use social media: EU consumers will not be forced to waive mandatory EU consumer rights, such as their right to withdraw from an on-line purchase; they will be able to lodge their complaints in Europe, rather than in California; and the platforms will take up their fair share of responsibilities towards EU consumers, similarly to the off-line service providers. However, the changes only partially fulfil the requirements under EU consumer law.

Vera **Jourová**, European Commissioner for Justice, Consumers and Gender Equality said: "As social media networks are used as advertising and commercial platforms, they must fully respect consumer rules. I am pleased that the enforcement of EU rules to protect consumers by national authorities is bearing fruit, as some companies are now making their platforms safer for consumers; however, it is unacceptable that this is still not complete and it is taking so much time. This confirms that we need a 'New Deal for Consumers': EU consumer rules should be respected and if companies don't comply, they should face sanctions."

While Google's latest proposals appear to be in line with the requests made by consumer authorities, Facebook and, more significantly, Twitter, have only partially addressed important issues about their liability and about how users are informed of possible content removal or contract termination.

When it comes to the "notice and action procedure" used by consumer protection authorities to report and request the removal of illegal content, the changes by some companies are insufficient. While Google+ has set up a protocol, including deadlines to deal with the requests, Facebook and Twitter have only agreed to provide a dedicated e-mail address that national authorities can use to notify infringements, without committing to deal with such requests within specific timeframes.

Following numerous complaints by consumers who had been targeted by fraud or scams when using these websites, as well as having been subject to certain terms of services that do not respect EU consumer law, an enforcement action was launched in November 2016.

Since then, social media operators specifically agreed to amend:

- the terms of services limiting or totally excluding the liability of social media networks in connection with the performance of the service;
- the terms requiring consumers to waive mandatory EU consumer rights, such as their right to withdraw from an on-line purchase;

- the terms depriving consumers of their right to go to court in their Member State of residence, and providing the application of California law;
- the term releasing the platform from the duty to identify commercial communications and sponsored content.

The companies committed to implement the changes to their terms in all language versions in the first quarter of 2018.

## Next steps

As already stated in its <u>Communication on tackling illegal content online</u> published in September 2017, the Commission expects online platforms to swiftly and proactively detect, remove and prevent the re-appearance of illegal content online. The Commission is currently working on the follow-up actions to this Communication.

The national consumer authorities and the Commission will monitor the implementation of the promised changes and will actively use the notice and action procedure provided by the companies. They will focus on illegal commercial content concerning unwanted subscriptions and other scams. Moreover, authorities may take action including enforcement measures where necessary.

The Commission will present in April a 'New Deal for Consumers'. This reform will propose to modernise the existing consumer law and ensure that they are properly enforced.

## Background

On 16 March 2017, EU consumer authorities and the European Commission met with the companies to hear and discuss their proposed solutions. Following this meeting, the companies have made certain changes to their terms and conditions. However, the Commission and consumer authorities consider that further changes have to be made urgently (see <u>press release</u>).

The Consumer Protection Cooperation authorities, under the lead of the French Directorate General for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), sent a <u>common position</u> to Facebook, Twitter and Google+ in November 2016 asking them to improve a number of contract terms and set up a system to tackle illegal commercial content upon notification[1].

The EU Consumer Protection Cooperation (CPC) <u>Regulation</u> link national consumer authorities in a pan-European enforcement network. Thanks to this framework, a national authority in one EU country can call on their counterpart in another EU country to ask them to intervene in case of a cross-border infringement of EU consumer rules. Cooperation is common to various consumer-related pieces of legislation, such as the <u>Unfair Commercial</u> <u>Practices Directive</u>, the <u>E-commerce Directive</u>, the <u>Consumer Rights Directive</u> or the <u>Unfair Contract Terms Directive</u>.

Under the CPC framework, authorities regularly review issues of common concern for consumer protection in the Single Market and coordinate their

market surveillance and potential enforcement actions. The Commission facilitates the exchange of information among authorities and their coordination.

Online platforms need to take greater responsibility in content governance. The Communication provides common tools to swiftly and proactively detect, remove and prevent illegal content online from reappearing.

## For more information

Table with the changes to the terms and conditions

[1] Please note that any assessment made in this action is without prejudice to any future assessment of compliance of the contract terms by CPC authorities or in judicial proceedings.