

Position Paper e-Identification and Online Trust Service

A Holistic Approach to e-Identification, Online Authentication and e-Signatures



www.ecommerce-europe.eu

Ecommerce Europe association data at a glance 2014



West € 177.7 bn +15.6%
 Central € 93.3 bn +22.8%
 South € 40.8 bn +18.8%
 North € 31.9 bn +12.5%
 East € 19.3 bn +53.0%



Europe EU28 € 363.1 bn +19%
 € 317.9 bn +18%

Our Mission
 To promote the interest of e-commerce in Europe through advocacy, communication and networking.

816 million people live in Europe
565 million people use the internet
264 million people are e-shoppers



2,111,111+ jobs directly or indirectly via e-commerce

550,000+ estimated online businesses

3.7 bn+ number of parcels annually (f)

GOMSEC

Global Online Measurement Standard ECommerce



June 8-10 2015
 Barcelona



European E-commerce Awards
 + Entrepreneurial award
 + Omnichannel award
 + Pure Player award

Round Tables

Meetings in 8 European cities for e-commerce experts and invitees

European Reports

Reports include country profiles, trends and Infographics.



Reports contain countries
 ● Eastern: Rom, Rus, Ukr, a.o.
 ● Western: BeNeLux, Fra, Ire, UK
 ● Southern: Gre, It, Port, Spa, Turk, a.o.
 ● Northern: Den, Est, Fin, Lat, Lith, Nor, Swe, a.o.
 ● Central: Aus, CR, Germ, Hun, Pol, Swi, a.o.

15+ leading e-commerce associations



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<https://www.ecommerce-europe.eu/facts-figures/free-downloads>

Ecommerce Europe is the association representing around 5000+ companies selling products and/or services online to consumers in Europe. Ecommerce Europe is a major stakeholder in policy issues concerning the Digital Single Market - which experiences difficulties in the cross-border coordination between Directorate-Generals, Member States, and Members of the European Parliament. Ecommerce Europe offers to be a one-stop-shop for the European Institutions for all e-commerce related issues. Ecommerce Europe can be consulted when it comes to market research and data, policy questions and in-depth country knowledge.

Ecommerce Europe asks the European institutions for a one-stop-shop for e-commerce policies which are currently covered by a plethora of legislation. In order to achieve this, Ecommerce Europe proposes an integrated perspective on five key themes: **Internet security & privacy, consumer rights, e-payments, tax issues and e-logistics**. Detailed proposals linked to these themes are outlined in the Ecommerce Europe multiple position papers.

E-IDENTIFICATION (e-ID) AND ONLINE TRUST SERVICES

Move forward with e-identification and authentication. Ecommerce Europe is convinced that a holistic approach to e-identification, online authentication and e-signatures benefits consumers and merchants alike. Online merchants welcome solutions that re-use existing authentication methods to improve security, protect user's privacy and streamline user experience. Strong user authentication allows for reduced fraud and risk levels and consequently, lower prices for consumers.

Secure, reliable, user-friendly and interoperable identification and authentication measures are necessary for the further development of cross-border e-commerce. Although e-identification and authentication mechanisms are already widely used in the governmental and banking sector (for instance, the use of tokens for online banking), their use in other economic sectors is still in its infancy. Pan-European e-identification mechanisms could provide a significant boost for user convenience, confidence and trust in e-commerce.

For merchants, it is key to verify **the identity of the consumer**. For consumers, properly functioning and reliable e-identification can help **secure their online identities**. Electronic signatures and e-identification mechanisms **increase trust** in the electronic commerce market. e-Identification schemes based on real IDs verified by the government (or another

trusted party) would help to **reduce cybercrime and fraud**. e-Identification based schemes would allow effective age verification, which would be useful for age-dependent services such as online gambling or certain product markets (e.g. alcohol, tobacco and medication). e-Identification methods should not put a disproportionate burden on online merchants.

Ecommerce Europe is committed to collaborate with policy makers and stakeholders on the following recommendations for e-identification and online trust services:

1. Come up with solutions that re-use existing authentication methods

Merchants welcome solutions that re-use existing authentication methods **to improve security, to protect users' privacy and to streamline user experience**.

2. Ensure interoperable e-identities

Various e-identities should be interoperable across different web shops and services. Merchants strive for reusable e-IDs. Interoperable e-ID frameworks **lower the threshold and increase the chances of acceptance** from consumers and merchants. Investments by stakeholders can be shared, resulting in the optimisation of societal benefits and potentially the realization of a common e-identification framework. This would **reduce complexity in the market** as merchants are not able to sign contracts with all e-ID providers, and it **guarantees safety** in a fast changing environment.

3. Leave the choice on what information is required from e-identification to merchants

Merchants should have the choice on what information is required from e-identification. Merchants usually only seek specific aspects of the e-identification, such as age or nationality. Merchants should have the option to **single out the information required** depending on the level of trustworthiness.

4. Ensure a facilitating role for governments in trustworthy identification of the online environment

Merchants expect a facilitating role of the government regarding trustworthiness of e-ID service providers. Governments already play a role when it comes to ensuring trustworthy identification in the offline environment – such as passports and drivers licences. This role should be **transposed to the online environment** as well.

5. Make e-identification operable on all devices

e-Identification should be operable on all devices, including smart phones and tablets. Consumers want to be able to buy whenever, wherever, and now that **mobile payments have become a firm reality**, e-ID schemes should be implemented on this market as well. Mobile e-commerce is still less user friendly when it comes to entering passwords on a small screen. Ecommerce Europe therefore calls upon

e-ID service providers to deliver trustworthy and efficient solutions that are sustainable for the years to come.

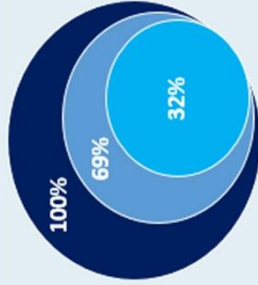
6. Provide an overview of (trusted) e-identification mechanisms for merchants and consumers

Clear communication concerning e-ID to all stakeholders is needed. Since e-ID is a tool to foster trust for online purchases, the communication towards all stakeholders – merchants and consumers – should be comprehensive and should provide clarity. Ecommerce Europe calls upon governments to facilitate this process by **providing an overview of (trusted) e-identification mechanisms** for merchants and consumers.

Europe 2013 Key e-commerce data at a glance

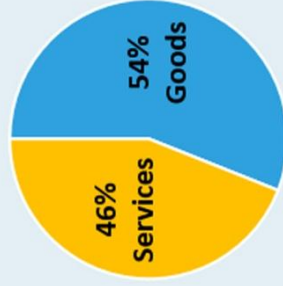


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€ 363.1 bn Turnover E-commerce Goods & Services



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EU28 € 317.9 bn +18%
3.2% eGDP
 € 16.4 trn GDP 2013

2,100,000+ jobs directly or indirectly via e-commerce
550,000+ estimated online businesses
3.7 billion+ number of parcels annually (f)

Average spending per e-shopper
 € 1,376

220 million households

5.7%

Estimated share of online retail in total retail

“443 million social media users”

Top 5 mature e-commerce countries in turnover (million)	Turnover (€)
UK	€ 107,157
Germany	€ 63,400
France	€ 51,100
Netherlands	€ 12,000
Austria	€ 10,970

Top emerging countries	Turnover (€)
Russia	€ 15,500
Spain	€ 14,414
Italy	€ 11,268
Poland	€ 5,225

UK, Germany, France account for 61% of total e-commerce sales in Europe



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