# **TACD**

TRANS ATLANTIC CONSUMER DIALOGUE

DIALOGUE TRANSATLANTIQUE DES CONSOMMATEURS

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# **Children and E-commerce**

#### INTRODUCTION

The TACD has already adopted two important resolutions on children and electronic commerce. These resolutions focus mainly on the problems and dangers facing children commercially, namely the problems of increasingly targeted advertising and the lack of distinction between advertising and content, privacy and data protection, and the need for children to have access to high quality non-commercial educational material. The TACD reiterates the problems highlighted and the calls for action made in the two previous resolutions. The purpose of this resolution is to provide a framework for further actions to protect children.

Consumer organisations on both sides of the Atlantic are very concerned about activities that some parents may consider inappropriate for, or harmful to, their children. These include:

- a) Inappropriate marketing to children of merchandize or services,
- b) Access to information technologies that allow children to either intentionally or unwittingly access sites with content which their parents believe is likely to disturb or harm them, including access to material which incites violence, racial hatred, encourages gambling, smoking or drinking, sexually explicit material or other material that might conflict with the values of the parent.
- c) Problems such as paedophiles posing as children.

In order to address these concerns, TACD proposes the following actions:

## FORA FOR ADDRESSING ISSUES

1. The US and EU should consider and discuss the feasibility of proposals to create one or more permanent institutions that have as the central mission the protection of consumers in the global economy, where issues concerning the protection of children can be discussed.

#### MARKETING PRACTICES AND PRIVACY

- 2. The EU and the US should request that UNICEF and the World Health Organization report on the status of harmful marketing commercial practices to children.
- 3. The EU should introduce legislation to limit and regulate the marketing of potentially harmful content to children, including tobacco, alcohol and gambling sites.
- 4. The EU should undertake new measures to protect children's privacy, taking as a starting point the requirements of the US Children's Online Privacy Protection Act (COPPA). COPPA requires parental consent before personal information can be gathered from children, as well as requiring web sites to post a detailed and easy-to-find privacy policy on their home pages.
- 5. Violent games and adult material should only be made available on a verifiable order from an adult and should require a credit card, rather than automatically being added to the consumer's phone bill.
- 6. Authentication systems for credit cards are urgently needed, in order to address the problem of children using their parents' credit card unauthorised for purchasing on-line. One possible solution could be to require a personal identification (PIN) for use of credit cards on-line.

### ACCESS TO ADULT MATERIAILS

- 7. Voluntary rating systems for web pages have floundered. The most pressing issues for rating are to make it easier for parents to protect young children from having access to what the parent considers to be adult material, including materials that are overly violent, incite hatred, or are sexually explicit.
- 8. There also exists a market for software that attempts to screen web sites for adult material. These filtering systems are used by many parents, but have also been criticized for false identification of sites that should not be blocked and for not blocking sites that parents may consider harmful to their children.
- 9. The EU and US should adopt rules for filtering software that is marketed to protect children in a manner consistent with the wishes of the parent. These rules should include criteria to ensure that filters effectively block undesired materials, and include mechanisms to determine if a specific web site is blocked by the filtering software, and to unblock sites that are incorrectly blocked.

PROTECTION AGAINST ADULTS PREYING ON CHILDREN

- 10. Many parents are concerned that children can be harmed by contact with adults who engage children through internet chat services.
- 11. The EU and US should encourage those in a position to do so, notably the Internet Service Providers, web sites targeted at children, and others, to give more priority to protecting children and alerting them to potential dangers. On their home pages ISPs should advise children not to arrange to meet someone or give personal details.
- 12. Parents, guardians and children should have effective mechanisms to report complaints about practices that are harmful to children.

# CREATION OF WHOLESOME INTERNET CONTENT FOR CHILDREN

13. The EU and the US should support public funding for the development of digital libraries, distance education tools and other wholesome internet content for children.