

The Role of Internet Intermediaries in Advancing Public policy Objectives – Stefan Krawczyk

Founded in 1995, eBay Inc. connects hundreds of millions of people around the world every day, empowering them to explore new opportunities and innovate together. eBay Inc. does this by providing the Internet platforms of choice for global commerce and payments. Since its inception, eBay Inc. has expanded to include some of the strongest brands in the world, including eBay, PayPal, Marktplaats, StubHub, Shopping.com, and others. eBay Inc. is headquartered in San Jose, California. This paper focuses on the role of e-commerce platforms in combating fraud on the platform and protecting consumers. In order to understand eBay's position, it is important to underline the specific nature of eBay's current business model. eBay's market place platform allows sellers to list their goods and buyers to find the goods of their choice. The transaction between buyer and seller takes place online. eBay is not a retailer: therefore it never holds the goods that are traded on its platform.

- Consumer trust is key

Statistics show that 80% of users will not return to a platform after a bad buyer experience. eBay has a well-established, key commercial interest in providing a safe and trusted consumer experience on its platform.

- Trust is the result of a set of measures, such as feedback systems, safe payments, redress mechanisms and awareness building

There is no single silver bullet against fraud and other phenomena that may lead to a bad buyer experience. eBay's system aims at empowering consumers as well as responsible businesses, helping them to avoid negative experiences and, in parallel, providing tools for redress in case this is not sufficient. It is based on awareness creation through educational campaigns and clear user guidelines in which eBay's policies on, for example, prohibited and restricted items and counterfeiting are outlined. Via these tools, eBay provides information on consumers' rights and links to additional information provided by other trusted third parties, such as consumer organisations or government departments. Another pillar of the system is the user feedback and eBay's Top Rated Seller scheme - labels that are only provided to trustworthy sellers with an excellent, proven track record. Finally, if there is a problem with a transaction, eBay provides a dispute resolution procedure through which consumers can exercise their rights and use available buyer protection schemes. More importantly, this tool helps to resolve the vast majority of disputes amicably.

- Stakeholder cooperation and the current hosting provider liability regime are essential

Platforms can provide efficient reporting tools and diligent takedown and sanction systems, but cooperation with and assistance from interested stakeholders is essential in fighting fraud online. eBay works closely with, among others, rights owners and law enforcement agencies. eBay makes a huge investment in providing buyer protection and fighting fraud on its platform. The liability limitations for hosting providers in the EU e-Commerce Directive contain a careful balance of interests that, coupled with our business interests, also incentivise intermediaries to act robustly against the abuse of their services. Without this exemption, the risk of pro-active measures and actions against fraud in effect leading to platform liability would strongly discourage existing platforms from taking any measures and newcomers from entering the market. This would have a devastating effect on the development of e-commerce to the great disadvantage of consumers.