Bundesverband der Verbraucherzentralen und Verbraucherverbände

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TRADE AGREEMENTS MUST NOT RESTRICT AI-REGULATION

- The Federation of German Consumer Organisations (vzbv) publishes report on the impact of trade rules on the EU's regulation of algorithms.
- Trade rules could impede on future EU rules on transparency, certification and accountability.
- Potential rules on the non-disclosure of source code currently under discussion in the World Trade Organisation (WTO) would hinder planned EU legislation.

Numerous trade agreements and possible new rules at WTO level may complicate the regulation of algorithms in a consumer-friendly way. This is the conclusion of a legal report by Kristina Irion (University of Amsterdam) commissioned by vzbv. The report demonstrates that a number of measures currently under discussion in the EU, for example on AI regulation or the Digital Services Act, would violate trade law wording that is currently discussed in the WTO e-Commerce negotiations.

The European Union is currently negotiating a series of trade agreements, especially at WTO level, in which rules on the non-disclosure of source code of software are being discussed. The background to this is forced technology transfer, especially in cross-border investment in China. However, a regulatory framework including access to source code and algorithms under specific circumstances is needed to enable consumer-friendly rules that make AI technologies accountable and transparent.

"Trade agreements must not hinder a consumer-friendly way to regulate algorithms. We are still at the dawn of a fundamental transformation of the economy and society through artificial intelligence. The European Union must ensure that trade agreements do not stand in the way of their very own policies and that they cannot undermine consumer protection measures - today and in the future," says Klaus Müller, Executive Director vzbv says Isabelle Buscke Head of vzbv's Brussels Office.

Pressestelle

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POTENTIALS AND RISKS OF ALGORITHMS

Artificial intelligence technologies have many advantages for consumers. At the same time, they can also influence their behaviour and bear the risk if discrimination and manipulation. Examples could be virtual personal assistants that personalise prices based on willingness to pay or gender, or booking platforms that exclude consumers based on personal characteristics. A high level of transparency, accountability and regulatory oversight is imperative to increase consumer trust in algorithmic decision-making systems.

For further information

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