



OECD activities on spam

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Spam: An economic and social issue

Macroeconomic:

- Can impact negatively on growth of e-commerce
- Negative impact on economy-wide productivity

Microeconomic:

- Network congestion, filtering & software investment
- Negative impact on legitimate direct marketing industry
- Loss of productive time in companies & increases costs for IT departments, security & network integrity
- Identity theft may harm company's brand name (phishing)
- Security - About 90% of viruses and worms are passed through e-mail

Social Costs:

- Trust in digital economy: privacy protection (spam can include spyware)
- Scams, pornography, false information

Spam: A Horizontal Policy Issue

- Committee on Information Computer and Communications Policy (ICCP)
 - Working Party on Telecommunications and Information Services Policy
 - Working Party on Information Security and Privacy
- Committee on Consumer Policy
- Business (BIAC) and Civil Society (e.g. Consumers International)

No silver bullet: to tackle spam from the policy perspective it is necessary to have a co-ordinated policy framework.

Spam does not respect borders – international co-ordination is necessary to reduce loopholes for spammers and for enforcement [geographic location of spammer and geographic origin of spammer's spam can differ]

OECD Policy Discussions

- Brussels Workshop (2-3 February 2004)
- Background paper for Brussels Workshop
- 2nd OECD Workshop on Spam in Busan (Korea) - **8-9 September 2004**: Technical Solutions, Authentication, Non-OECD Economies
- Setting up an OECD Task Force on Spam
- Enforcement Workshop (ICPEN)

www.oecd.org/sti/spam

Objectives of Task Force

Solutions to spam require a multidisciplinary approach and co-operation between governments, business and civil society

- Develop a multifaceted strategy: OECD Anti-spam “toolkit”;
- Toolkit will encompass:
 - legal and regulatory policy options;
 - self-regulation; technical measures;
 - international enforcement co-operation;
 - public-private partnerships;
 - Increased awareness and education
- Need a “whole of government approach”
- Reduce costs of co-ordination

No Single OECD policy definition of spam

- Opt-in: The opt-in approach prohibits the sending of unsolicited electronic messages unless a prior relationship exists. Applicable regime is applicable to individuals (natural persons) but member states can extend the scope to marketing to businesses. There is a limited exception from the opt-in system for existing customers.
- Opt-out: Explicit opt-out language be included in messages, or removal requests are in place

Commonalities

- Valid address to allow opt-out
- Prohibition against disguising identity
- Fraudulent and deceptive messages illegal
- Commercial communications to be clearly identified as such

Limitation of law enforcement

- Spamming is a global problem \Rightarrow jurisdictional limit
- Difficulty in tracking spammers & collecting evidence across borders / varying regulations between countries
- Limitations of self-regulatory approaches
 - Can be slow in developing, needs good co-operation and co-ordination - less effective than legal solutions
 - Spammers do not adhere to the code of best practices
 - Spammers can by-pass technical solutions and can avoid punitive actions

Summary & Conclusions

- The problems caused by spam are increasing
- A multi-dimensional approach offers best prospects
 - Each solution has its own limits
 - The co-ordinated participation & efforts of all participants in a co-operative and comprehensive way would play a crucial role
- International co-operation is critical factor
 - Spam is a global problem
 - Internationally co-operative measures are more effective