



EU4Digital

EU4Digital: supporting digital economy
and society in the Eastern Partnership

eCommerce report

Recommendations proposed for eCommerce
environment harmonisation in the EaP countries:
Republic of Moldova

23 December 2020



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1 Executive summary

In the EU market, eCommerce presents opportunities for retailers from the different countries to grow businesses and revenues. The EU market of eCommerce provides access to over 500 million consumers with the eCommerce market worth more than \$700 billion¹ and an annual growth rate of 15% on average domestically and exceeding 25% for cross-border eCommerce². The EU, being the second biggest in the world cross-border buyer of goods, established own eCommerce rules, processes, know-hows and ways for engagement of stakeholders. The EU member states expect that these rules are considered and followed by trading partners, including non-EU businesses. Otherwise, obstacles and barriers created by different rules in the EU and third countries complicate eCommerce transactions.

To eliminate existing obstacles and barriers for pan-European eCommerce for citizens and businesses requires the harmonisation of the digital environments among the Eastern partner countries and with the EU. This includes harmonisation of eCommerce ecosystem and approximation to relevant EU legislation and standards.

1.1 Objectives of the report

The overall objective of the report is to provide recommendations to harmonise eCommerce among the Eastern partner countries (in particular, the Republic of Moldova, hereafter, Moldova) and the EU in three areas: ecosystem, legal framework and standards. This includes:

- Eliminating the barriers for cross-border eCommerce;
 - Boosting cross-border eCommerce volume;
- Preparing countries for the upcoming EU and global changes in eCommerce introduced in 2021.

1.2 Scope of eCommerce study

eCommerce in this study is understood as a sale of goods through electronic transactions carried out on computer networks.

The study **focuses on the B2C** type of electronic exchange, but doesn't exclude C2C, B2B and B2G exchange. This focus is taken as the volume of B2C transactions is increasing in the EU, which is strengthened amid COVID-19. In 2019, the number of EU enterprises using B2C transactions was higher than the number of EU enterprises using B2B and B2G combined³. As B2C eCommerce is facing updates that will shape the area for the next few years, this study aims to provide benefit to harmonise B2C area between the EU and the Eastern partner countries. Also, it is important to note that the topics covered in this study, such as cross-border parcel supply chain, interaction between parcel operators, logistics and the supporting areas of eCommerce legislation, are valid both for B2C and B2B

The basis of the analysis is **the EU baseline** that consists mainly of the EU laws and standards regulating eCommerce as well as best practices in eCommerce ecosystem development. The EU baseline also includes international rules as the EU trades with the rest of the world and there are rules developed by **global cooperation** (e.g. the Universal Postal Union network that enables eCommerce cross-border delivery, the World Customs Organisation model for customs procedures).

In addition, the analysis is based mainly on the **existing legislation**, standards and ecosystem processes. However, as the EU is in the process of major changes that impact eCommerce, the report is also focused on the **upcoming legislation** (i.e. 2021 eCommerce package) that is defined and is to be implemented in 2021.

The report focuses on the eCommerce areas that are the most critical to be harmonised for **cross-border transactions**. Harmonisation of these areas facilitates cross-border eCommerce transactions and reduce obstacles for seamless cross-border trade.

1.3 Approach

The recommendations to harmonise eCommerce among the Eastern partner countries and the EU were developed by performing the following activities by the EU4Digital central eCommerce experts and local experts from the Eastern partner countries:

¹ More at: <https://www.digitalcommerce360.com/2019/05/09/the-delivery-preferences-of-european-online-shoppers/>

² More at: <https://op.europa.eu/en/publication-detail/-/publication/1c50224c-574e-11e9-a8ed-01aa75ed71a1/language-en>

³ Eurostat, *Community survey on ICT usage and e-commerce in enterprises, 2019*



- Developed the EU state of play or [the baseline](#) for the assessment, which is structured around the eCommerce value chain. The value chain describes the players, information and activities involved in the supply, distribution, and post-sales activities of goods for the market. More than 100 key aspects in legal, standards and eCommerce ecosystem areas are described across the value chain and the baseline.
- Performed the state of play analysis of eCommerce in the Eastern partner countries by conducting interviews, workshops and research. More than 50 stakeholders were involved across the Eastern partner countries to provide inputs for analysis of the state of play of eCommerce. Among them the ministries, customs and tax authorities, postal and logistics operators, marketplaces, business associations, local experts.
- Provided professional opinion by the EU4Digital Facility experts on the key gaps for cross-border eCommerce.
- Developed recommendations based on the EU practices aimed to boost eCommerce transactions volume and address the necessary supportive measures for eCommerce to work. Key recommendations for each Eastern partner country include specific actions to be considered on a national level.
- Organised consultations and alignments with the national stakeholders.

1.4 The state of play in the Eastern partner countries

The Eastern partner countries have a varying level of digital commerce enablement. Comparing to the eCommerce baseline, the analysis identified the key common gaps in the following areas provided in the table below. Note that the overview below provides a summary of the most common gaps, while specific gaps are explained in the chapter 4. *Gap analysis report for the Republic of Moldova* of this report.

Table 1: Summary of eCommerce common gaps for cross-border eCommerce in the Eastern partner countries comparing to the EU baseline

No	Area	Key aspects that have gaps and challenges in the Eastern partner countries
Gaps in eCommerce ecosystem		
1.	Marketing and sales	<ul style="list-style-type: none"> • Usage of global marketplaces that operate in the EU is limited (reasons: long/expensive delivery, cash-on-delivery preference, poor awareness). • Local marketplaces selling cross-border are not common, except certain national platforms (reasons: long/expensive delivery, cash-on-delivery preference, poor awareness).
2.	Payment	Payment methods usage is different than in the EU due to still preferred cash-on-delivery payment method and common usage of local solutions rather than global that are popular for the EU.
3.	Parcel delivery	<ul style="list-style-type: none"> • Global private operators face challenge to maintain high eCommerce volumes creating high rates for parcel delivery limiting involvement in eCommerce ecosystem. • Wide network of active postal offices is not aligned with the centralised approach that is common in the EU and within the UPU. • Delivery time is few days longer than in the EU, where delivery within 48 hours is common.
4.	The EU 2021 eCommerce package	Limited ⁴ awareness by stakeholders and only fragmented actions to prepare for changes in VAT (Import One Stop Shop, removal of exceptions), customs (Import Control System 2, mandatory electronic declarations), harmonised ID (item level information exchanged via harmonised IDs).
Gaps in eCommerce legal framework		
5.	Platforms	Limited regulation of terms and conditions explaining ranking of goods on platforms.
6.	Parcel delivery	<ul style="list-style-type: none"> • Limited regulation of postal security requirements for the provision of electronic advance data for consignments of distance sales.

⁴ Limited means not regulated or not (partially) compatible with the EU rules or not implemented regulation.



No	Area	Key aspects that have gaps and challenges in the Eastern partner countries
		<ul style="list-style-type: none"> Insufficient preparation for the EU VAT eCommerce package, including a special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries to the EU that will be applied from 1 July 2021.
7.	Consumer protection	<ul style="list-style-type: none"> Limited regulation of misleading commercial practices of paid advertisement, including provisions indicating the cases when paid advertisement is considered as a misleading commercial practice. Limited regulation of information requirements for distance contracts of digital content and digital service, including definitions of digital content, digital service supplied by the trader to the consumer and personalised pricing on the basis of automated decision-making. Limited regulation on misleading omissions about consumer reviews of products, where trader providing access to consumer reviews of products must inform the consumer about whether and how the trader ensures that the published reviews originate from consumers who have actually used or purchased the product.
Gaps in eCommerce standardisation aspects		
8.	Interoperability	<ul style="list-style-type: none"> Limited technical specifications for secure, trustworthy and user-friendly opening systems for parcel boxes for home use. Limited requirements for electronic advanced data submission in postal operations in domestic and international postal operations as a pre-requisite for digital customs or transport security related declaration.
9.	Digital postal services	Limited standardisation of electronic advanced data semantic mapping of attributes of commercial single items compliant to the UPU-WCO (the Universal Postal Union – the World Customs Organisation) model from 2021.
10.	The UN, the EU, the UPU: electronic exchange	Limited standardisation of specifications for post, courier, express, parcel operators and customs agents that transport eCommerce items from the country into the EU to prepare the necessary electronic data lodging of digital customs pre-declarations on item level that will become mandatory from 1 July 2021 for items below a value of 150 EUR.
11.	The UPU: technical standards	Limited standardisation of EDI messaging to be exchanged between customs authority/border agency to a postal operator, between destination postal operator and the origin postal operator on risk assessment.
12.	eCommerce websites trust mark	Lack of national eCommerce Trustmark certification scheme(s) which authenticates that an eCommerce company established on the national territory has made a commitment to work in compliance with the Code of Conduct, guaranteeing ethical standards in the digital marketplace.

1.5 The recommendations to harmonise eCommerce

To address the identified gaps and challenges, the EU4Digital Facility prepared the recommendations for harmonisation of eCommerce among the Eastern partner countries and with the EU. The overview is provided in the table below. Note that the overview provides a summary of the recommendations, while specific recommendations and action points are explained in the chapter 5. *Recommendations report for the Republic of Moldova* of this report.

Table 2: Summary of eCommerce recommendations to harmonise cross-border eCommerce among the Eastern partner countries and with the EU

No	Recommendation	Goal
Recommendations in eCommerce ecosystem		
1.	Establish a virtual warehouse as a re-usable database to list goods for sale in the EU.	Cross-border sales volume increase as businesses in the Eastern partner countries list and manage inventory of goods for cross-border sale; and the national postal operators are connected to the database to trigger cross-border delivery once sales happen to deliver within 72 hours.
2.	Establish national pavilion account(s) on the EU marketplace(s) to list goods for sale in the EU.	Cross-border sales volume increase as businesses in the Eastern partner countries list goods for cross-border sale



No	Recommendation	Goal
		through a single national account and get support with marketing.
3.	Establish consolidated central distribution networks with centralised warehouses, fulfilment and sorting facilities to enhance postal capacity for cross-border transportation.	National postal operators and parcel delivery operators use centralised networks for clearance, sorting and transportation of parcels to the cross-border hubs (office of exchange) to enable daily dispatch abroad. The aim is to reduce delivery time for domestic and cross-border delivery of commercial items.
4.	Establish co-sharing agreements and unified parcel identifiers between the post and private parcel operators.	The national postal operator and private sector parcel delivery operators sign cooperation agreements to co-share the last mile delivery and to dispatch cross-border consignments within 24 hours from order (after handing over to postal service provider). The aim is to establish co-sharing agreements for delivery to ensure optimal usage of infrastructure and postal rates.
5.	Further strengthen the integration of the Eastern partner countries eCommerce ecosystem actors into the EU networks.	Increased collaboration of the eCommerce ecosystem stakeholders of the Eastern partner countries with the EU ecosystem actors through transfer of the EU knowledge and practices.
6.	Increase awareness and readiness (legal, systems, processes) of relevant stakeholders for the 2021 changes in customs, taxes, security, parcel delivery areas.	Cross-border trade is possible as customs and taxes authorities, postal and logistics operators can seamlessly exchange electronic advanced data with the EU operators; can use simplified procedures to pay taxes; use harmonised ID to exchange information on an item level.
Recommendations in eCommerce legislation and standards frameworks		
7.	Improve the overall framework of eCommerce by introducing fundamental principles and critical requirements (electronic platforms, contracts and intermediation services, data protection).	The legal framework and main standards related to eCommerce correspond to the EU general framework and the consumers feel safe to shop on-line.
8.	Improve online marketing and electronic sales capacities of traders to increase visibility (on-line marketplaces, unfair commercial practices, price indication, trust mark, CE, products safety, intellectual property).	Products of the Eastern partner countries are presented on the marketplaces selling in the EU, clearly identifiable and promoted to the potential target segments.
9.	Improve compliance with electronic payment (liability for unauthorised payment, removal of surcharges, customer authentication).	Assure the maximum consumer protection when using electronic payment on eCommerce platforms.
10.	Improve safe placing of on-line orders (governance of contracts by residence).	Assure the maximum level of consumer and trader contractual protection in case of contracts concluded on-line.
11.	Improve the time of cross-border parcel delivery (postal security requirements and standards for electronic advanced data, measures for quality of delivery services, interfaces between the e-merchant and logistic operators).	Allow processing of all cross-border data on parcels between the Eastern partner countries and the EU countries in standardised electronic format in advance.
12.	Improve Online Alternative Dispute Resolution mechanism (out-of-court resolution for domestic and cross-border) and transparency in case of security incidents (communication of incidents, complaints handling principles).	Assure the maximum level of consumer support in case of disputes and security incidents.

1.6 The next steps and considerations

The beneficiaries in the Eastern partner countries should use this report to consider implementing the recommendations.



- Recommendations in legal and standards areas include specific points for specific government authorities to use as an input to make necessary changes.
- Recommendations in ecosystem area should be considered by the relevant government and non-government ecosystem stakeholders, who should include the recommendations in national economy development plans for practical actions.

In addition, this report is considered by the European Commission for possible activation of the recommendations on bi-lateral and regional level.

The next step of the EU4Digital Facility is to launch a pilot to facilitate cross-border eCommerce. Recommendation #1 of this report – Establish a virtual warehouse as a re-usable database to list goods for sale in the EU and other Eastern Partnership countries – is confirmed to be a pilot solution, which will support countries to list products on the foreign marketplaces and complete cross-border eCommerce transactions. The pilot activity is scheduled to start in January 2021 and to be completed by April 2021. Updates on the activities are published on eufordigital.eu.

2 Introduction

This analysis report of harmonisation of eCommerce among the Eastern partner countries and with the EU is developed under the European Union's regional facility "EU4Digital Facility: bringing the benefits of the harmonised digital market to the Eastern Partnership countries", thematic area of eTrade, eCommerce activity. The aim of this activity is to harmonise cross-border eCommerce laws, standards and ecosystem among the Eastern partner countries (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine) and the EU, as well as piloting technical solution to support cross-border eCommerce.

Team: the report is developed by the team of experts from 10 countries.

The central team includes: Artūras Piliponis (EU4Digital Team Lead), Rūta Šalvytė-Tamošiūnienė (EU4Digital Deputy Team Lead, eTrade Stream Lead), Walter Trezek (Chairman of the Universal Postal Union Consultative Committee, Co-chair of e-logistics Working Committee of Ecommerce Europe), Vladimir Abramytchev (Team Lead in European External Action Service and multiple eCommerce studies funded by the European Commission), Jan Hyttel (Board member of GS1 and Transport Innovation Association in Lithuania), Volodymyr Kovalenko (EU4Digital eCommerce expert).

The local country teams: Armenia - Vahagn Marukhyan; Azerbaijan - Anar Jafarzade; Belarus - Natallia Harbuz; Georgia - Nino Esakia; Moldova - Alexandru Florea, Ionela Titirez; Ukraine - Oleksiy Shmuratko.

Acknowledgements: more than 50 stakeholders were involved across the Eastern partner countries to provide inputs for analysis of the state of play of eCommerce. These inputs covered more than 100 aspects in legal, standards and ecosystem areas covering the entire value chain of eCommerce – platforms, payments, order placement, parcel delivery, customer protection. The involved stakeholders included the Ministries, customs and taxes authorities, postal and logistics operators, marketplaces, business associations, local experts. The stakeholders participated in consultation sessions to provide feedback and shape the final set of recommendations to harmonise eCommerce. Involvement of a broad community of stakeholders makes the recommendations actionable and relevant for the beneficiaries in the Eastern partner countries.

2.1 Context

eCommerce of the EU market presents opportunities for retailers from the different countries to grow businesses and revenues. The EU market of eCommerce provides access to over 500 million consumers with the eCommerce market worth more than \$700 billion⁵ and an annual growth rate of 15% on average domestically and exceeding 25% for cross-border eCommerce⁶. The EU, being the second biggest in the world cross-border buyer of goods, established own eCommerce rules, processes, know-hows and ways for engagement of stakeholders. The EU member states expect that these rules are considered and followed by trading partners, including non-EU businesses. Otherwise, obstacles and barriers created by different rules in the EU and third countries complicate eCommerce transactions.

To eliminate existing obstacles and barriers for pan-European eCommerce for citizens and businesses requires the harmonisation of the digital environments among the Eastern partner countries and with the EU. This includes harmonisation of eCommerce ecosystem and approximation to relevant EU legislation and standards.

⁵ More at: <https://www.digitalcommerce360.com/2019/05/09/the-delivery-preferences-of-european-online-shoppers/>

⁶ More at: <https://op.europa.eu/en/publication-detail/-/publication/1c50224c-574e-11e9-a8ed-01aa75ed71a1/language-en>



2.2 Objectives

To ensure harmonisation, the objective of this report is to provide recommendations to harmonise eCommerce practices among the Eastern partner countries and the EU in three areas: ecosystem, legal framework and standards.

Ecosystem recommendations have objectives to:

- Eliminate the barriers for cross-border eCommerce;
- Boost cross-border eCommerce volume;
- Prepare countries for the upcoming EU and global changes introduced in 2021.

Legal framework and standards recommendations have an objective to address the key aspects that must be in place for cross-border eCommerce with the EU to work.

2.3 Scope

2.3.1 Framework of eCommerce

eCommerce is defined as sale of goods through electronic transactions carried out on computer networks. eCommerce comprises the preparation of orders for goods using electronic interfaces. An electronic interface should be understood as a device or programme, which allows two independent systems or the system and the end user to communicate. This is a broad concept and could encompass a website, portal, gateway, marketplace, or application program interface (API). Then, the orders are transmitted through computer networks. The methods of placing of the order such as by telephone calls, facsimile or manually typed e-mail are usually not considered as part of eCommerce. The payment and the ultimate delivery of the goods or services do not have to be conducted online.

eCommerce can operate through websites (which allow online ordering or booking, for example using a “shopping cart”), mobile applications operated on mobile telecommunications networks or through an exchange of electronic messages or EDI messages (electronic data interchange).

The study focuses on the Business to Consumer (B2C) type of electronic exchange, but does not exclude C2C, B2B and B2G exchanges. This focus is privileged as the volume of B2C transaction is increasing in the EU, which is strengthened amid COVID-19. In 2019, the number of EU enterprises using B2C transactions was higher than the number of EU enterprises using B2B and B2G combined⁷. As B2C eCommerce is facing updates that will shape the area for the next few years, this study aims to provide benefit to harmonise B2C area between the EU and the Eastern partner countries. Also, it is important to note that the topics covered in this study, such as cross-border parcel supply chain, interaction between parcel operators, logistics and the supporting areas of eCommerce legislation, are valid both for B2C and B2B.

The EU framework related to eCommerce and the best EU practices in the EU member states offer a comprehensive structure to conduct harmonisation of national legal framework among the Eastern partner countries and with the EU, both for goods and services. The EU baseline is historically more focused on online purchase of physical goods as it occupies a major part in eCommerce transactions. In this study, eCommerce is mainly considered as online purchase of goods and products in the form of merchandise. Many challenges in eCommerce are associated with cross-border delivery of commercial items, which explains the priority of the study on goods.

The study provides a holistic overview of the EU best practices and conducts a comprehensive assessment of the main aspects of eCommerce in the Eastern partner countries. However, it does not treat in detail some aspects, such as trust service, networks security, and cybercrime related to eCommerce, because they are considered within EU4Digital Trust & Security component as well as the other project under EU4Digital Initiative – “EU4Digital: Improving Cyber Resilience in the Eastern Partnership countries”.

2.3.2 Global perspective addressed

To harmonise eCommerce in the Eastern partner countries in line with the EU state of play, mainly the EU regulations, directives and processes are described. To complement this description, rights and obligations set by the global organisations, such as the Universal Postal Union (UPU) and the World Customs Organisation (WCO), are covered as well. This global perspective on eCommerce has to be taken into consideration as the EU member states trade with the Eastern partner countries and the rest of the world. As the EU trades with the rest of the world, there are legislation and procedures developed by global cooperation (e.g. the UPU network

⁷ Eurostat, *Community survey on ICT usage and e-commerce in enterprises, 2019*

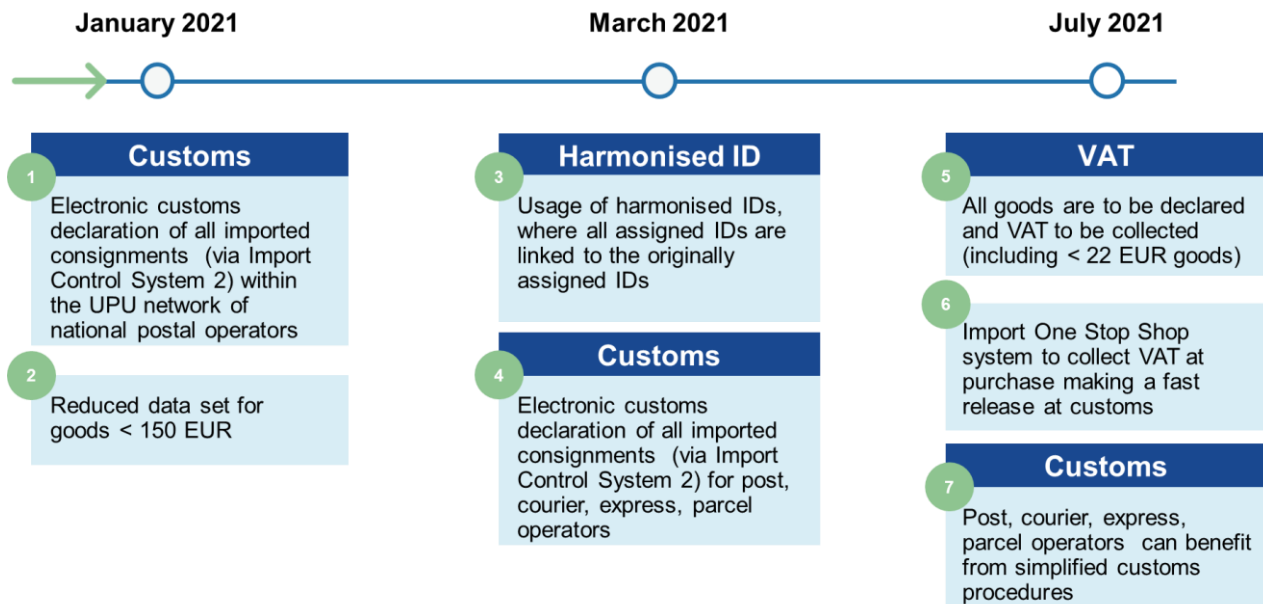


that enables cross-border delivery within eCommerce, the WCO global model for customs requirements). Such systems and procedures influence eCommerce legislation in the EU and the rest of the world.

2.3.3 The future state of play of eCommerce considered

The EU baseline being the basis for harmonisation mainly consists of the existing regulations, directives and processes. However, as the EU is in the process of major changes that impact eCommerce, the report is also focused on the upcoming legislation (i.e. 2021 eCommerce package) that is already defined and is to be implemented in 2021. The changes are presented in the figure below.

Figure 1: Overview of the 2021 changes in eCommerce area



It is crucial for the Eastern partner countries to align to these changes, which is reflected in the recommendations provided to the countries. Failing in doing so might lead to substantial challenges when trying to export goods into the EU, even block trade completely.

2.3.4 Cross-border aspects in focus

This report is focused on the aspects important for cross-border eCommerce harmonisation. This is critical as the EU is developing Digital Single Market⁸ and EU4Digital Facility is bringing the benefits of the harmonised digital market to the Eastern Partnership countries. Thus, the report focuses on the eCommerce areas that are the most critical to be harmonised for cross-border transactions. Harmonisation of these areas facilitates cross-border eCommerce transactions and reduce obstacles for seamless cross-border trade.

3 Methodology

3.1 EU practice of cross-border eCommerce

The Digital Single Market Strategy of the European Commission targets to break down online barriers by applying the four basic freedoms in the EC Treaty (goods, persons, services and capital) to allow people in the EU countries to benefit from full access to goods and services offered online. The Strategy treats the aspects of promoting cross-border access to products and online services, protecting online consumer rights and facilitating cross-border parcels delivery. Its main focus is on ending unjustified cross-border barriers to businesses in the EU.

The European Commission proposes several measures for ending unjustified cross-border barriers to eCommerce. They spread out from making it easier for European consumers to shop online, making safer to pay online, abolishing geo-blocking, facilitating parcel delivery. The measures have impact on online shopping

⁸ More at: <https://eufordigital.eu/discover-eu/eu-digital-single-market/>



activities of consumers that range from searching products and services on web sites, through buying online, paying, delivery, to providing customer support services.

The objective to eliminate existing obstacles and barriers for pan-European eCommerce for citizens and businesses require the harmonisation of the digital environments among the Eastern partner countries and with the EU. This includes the approximation to relevant EU legislation and standards, harmonisation of business processes and data formats, and alignment of eCommerce ecosystems to enable cross-border eCommerce.

3.2 Value chain of eCommerce

The study uses the concept of a value chain to describe eCommerce domain and the interaction between the eCommerce ecosystem of the EU member states and the Eastern partner countries. The proposed method supports that all required eCommerce aspects are included in the study.

3.2.1 Value chain approach

eCommerce value chain describes the players, information and activities involved in the supply, distribution, and post-sales activities of goods. The approach offers an insight about the flow of activities and processes involved in any type of eCommerce cross-border trade between businesses, consumers and public entities. It identifies the key commercial, logistical, regulatory and payment procedures applied in the eCommerce international supply chain.

The value chain defines areas and boundaries of the legal framework, standards and ecosystem related to eCommerce and provides a structure for describing the requirements for interoperable eCommerce exchange among the Eastern partner countries and with the EU.

The lifecycle of an online purchase can involve the consumer accessing a network, searching for an online trader, selecting the product he or she wants to purchase. The consumer enters information related to how he intends to purchase the product and then place the order. From here, the lifecycle continues from the viewpoint of the supplier who receives the order. The supplier locates the product, obtains the product from his inventory (a warehouse, distribution or fulfilment centre), processes payment, ships the order to the consumer and ultimately provides required customer support, such as handling of returns.

For the purpose of this study, the eCommerce value chain is broken down into six business processes: marketing, sales, payment, placing order, delivering parcel, and customer support. These business processes englobe the whole chain of required activities from marketing of a product online to providing customer services after the product is delivered to the customer.

These key business processes are both cross-functional and cross-area in nature. Three functional perspectives define the eCommerce value chain in this study: ecosystem, legislation and standards. The following Figure shows the business processes of eCommerce value chain.

Figure 2: Business processes of the eCommerce value chain



The eCommerce value chain comprises both physical flows of items and digital flows of data. Electronic exchange of information is necessary for operations such as tracking and tracing of items and payments.

- **Marketing.** eCommerce begins with marketing business processes that include different activities conducted by traders to promote and advertise products and services online.
- **Sales.** eCommerce websites and marketplaces sell non-digital, digital products and services. The consumer visits an online shop to search for an item. The eCommerce trader targets to organise the most effective customer journey through the storefront or marketplace in order to present in an optimal way products or services with the purpose to trigger a sale and placement of an online order by the consumer.
- **Payment.** After the consumer selects an item to purchase, the online shop sends a request to the customer to pay. Billing and payment comprise payment platforms used to process monetary transactions made by consumers on the online shop. Electronic payment services are provided by banks, payment processors, and online payment service providers.



- **Placing order.** After the customer pays, payment confirmation and checkout are triggered. Following checkout (submission of online order), payment placement is conducted, which in turn leads to an order. Once a customer has placed an order, the trader provides an order confirmation to the consumer. It contains contractual, order information and estimated shipping dates.
- **Parcel delivery.** The next stage in the eCommerce value chain is transporting the item to the consumer’s final delivery destination. Successful delivery is confirmed when the consumer receives the parcel. It triggers the customer’s confirmation of receipt.
- **Customer service.** Customer service consists of provision of support to customers before (orientation), during (selection of item, purchase) and after purchase (after sale and post-delivery customer support). It can be personal as well as automated. eCommerce trader offers the flexibility and scope to the consumers to return an item in case it’s faulty or not of their choice. This makes the traders to support a reverse supply chain of getting it back from the consumer to their warehouse.

3.3 Approach of assessment in the Eastern partner countries

Three functional perspectives are used in this study to define the EU baseline and to assess eCommerce state of play in the Eastern partner countries: ecosystem, legislation and standards. The value chain guides the assessment through questionnaires of three perspectives of eCommerce in the Eastern partner countries. It facilitates the gathering of recommendations on harmonisation of certain areas to facilitate trade with the EU.

eCommerce ecosystem. The eCommerce value chain is operated by multiple players that interact through a complex network or interconnected system. All together they form an eCommerce ecosystem. It can be defined as a network of interconnected players and functions that comprise the full cycle of the buying and selling of goods and services electronically.

Legislation. The eCommerce ecosystem players interact through a series of activities, and their relationships may be either competition or cooperation. The overarching EU legal framework and the legislation of each EU member state defines the legal rules of interaction between the eCommerce ecosystem players in the European market.

Standards. A set of standards related to eCommerce provide guidelines and characteristics for activities or their results, for common and repeated use. Standards provide individuals, businesses and organisations involved in eCommerce value chain with a common basis for mutual understanding. The EU standards mainly relate to products, services or systems.

3.3.1 eCommerce ecosystem

eCommerce ecosystem is formed by multiple players that interact along the eCommerce value chain. It is a network of interconnected players and functions that cover the full cycle of the buying and selling of goods and services electronically. The following table presents the ecosystem perspective of eCommerce. It shows the main areas of the ecosystem that are associated to each business process of the eCommerce value chain. Several areas are applicable to all business processes (the second row in the table). Other areas are applicable to particular business processes. The table highlights the aspects of eCommerce ecosystem that are critical for the cross-border electronic commerce activities between the EU member states and the Eastern partner countries.

Table 3: Ecosystem perspective of the eCommerce value chain

Marketing	Sales	Payment	Placing order	Delivering parcel	Customer service
Process of cross-border parcel supply chain and stakeholders involved					
Security and trust through:					
<ul style="list-style-type: none"> • Globally recognised barcodes • Advanced payment security providers • Clear return processes for purchased goods • The EU eCommerce trust marks • Goods control and surveillance by public regulatory bodies • Alternative and online dispute resolution • Review platforms for businesses and goods • Insurance of transported goods 					



Marketing	Sales	Payment	Placing order	Delivering parcel	Customer service
Global, continental and local eCommerce platforms operating in the EU Rating of products	Common solutions to create platforms and integrate with other stakeholders of the ecosystem Social media as a marketplace for influencers	Electronic payments ecosystem: <ul style="list-style-type: none"> Common in the EU payment methods Payment gateways and service providers Payment of cross-border taxes and stakeholders involved at every stage		Role of the UPU in parcels delivery rules Common goods delivery methods and fulfilment operations Delivery to remote and rural areas Goods tracking and identification via global IDs Customs clearance process and changes in 2021 De-minimis in the EU and changes in 2021	Return process of damaged or wrong goods

The indicated areas summarise the EU eCommerce ecosystem [baseline](#). It examines the current state of the key areas of eCommerce ecosystem setup in the European Union / EEA market and take into account the systems and procedures developed by global cooperation with the international organisations such as the Universal Postal Union and the World Customs Organisation.

3.3.2 Legislation

The establishment of adequate legal framework can facilitate the take-up of cross-border eCommerce regionally and also between the EU member states and the Eastern partner countries by reducing uncertainties, enhancing trust and addressing potential harms.

The following table presents the legislative perspective of eCommerce. It indicates the main legal areas that are associated to each business process of the eCommerce value chain. The priority areas highlight the best practices of the EU legal framework in eCommerce. Several areas are applicable to all business processes (the second horizontal row in the table). Other legal areas are proper to particular business processes. The focus is on the legislative and regulatory aspects that are critical for the cross-border electronic commerce activities between the EU member states and the Eastern partner countries.

Table 4: Legislation perspective of the eCommerce value chain

Marketing	Sales	Payment	Placing order	Parcel delivery	Customer service
Net neutrality Consumer protection, consumer rights Redress and litigation, public enforcement Injunctions The Universal Postal Union regulations: items, data models Data protection Security of networks and information systems					
Unfair commercial practices Price indication Online marketplaces	Consumer sales and guarantees Product safety rules Rules for protection of intellectual	Electronic payments Limit of payment fees	Unfair contract terms Electronic contracts Prohibitions and restrictions of import of goods	Parcel delivery customs formalities: excise goods, fees for customs procedures Fiscal aspects of parcel delivery:	Consumer alternative dispute resolution Consumer online dispute resolution



Marketing	Sales	Payment	Placing order	Parcel delivery	Customer service
	property and enforcement Online pharmacies Trademarks and designs			duties, VAT, excise duties Transparency of tariffs for cross-border parcel delivery Postal security measures for cargo and mail Import electronic advance data	

The indicated areas are presented in the EU legal [baseline](#). It examines the current state of a number of key areas of law and regulation for eCommerce in the European Union and takes into account the recommendations of the international organisations such as the Universal Postal Union and the World Customs Organisation.

3.3.3 Standards

European Standards are a key component of the European Single Market. Although rather technical, they represent one of the most important issues for the interoperability between businesses and public organisations. They are crucial in facilitating cross-border trade and hence have high visibility among manufacturers and suppliers of goods inside and outside Europe. Standards provide consumers, businesses, public administrations and regulatory organisations with a common basis for mutual understanding and represent the state of the art of business conduct.

The following table indicate the standards important for cross-border eCommerce. It codifies the best EU practice based on the standards of the Universal Postal Union, the United Nations and the World Customs Organisation. Several standards are applicable across all business processes of eCommerce value chain (the second horizontal row). Other standards are applicable to particular business processes. The indicated standards highlight the aspects that are the most critical for the cross-border electronic commerce activities between the EU member states and the Eastern partner countries.

Table 5: Standards perspective of the eCommerce value chain

Marketing	Sales	Payment	Placing order	Delivering parcel	Customer service
Stakeholder and Information exchanges based on WCO/UPU messaging model					
Physical process and associated data					
Information exchanges based on UN/EDIFACT syntax					
Electronic advanced data exchange on item level					
UPU electronic exchange standards					
UPU technical standards					
Information available on postal services	Distance to access point of postal services		Interfaces for cross-border parcels	Quality of postal services	Complaints handling principles for postal services
International postal address component	Open global networks and systems for postal operators		Electronic Data Interchange between postal handling organisations	Interoperability in postal operations	Damage to postal items
Data definition and encoding – Identification of postal items	Packaging for boxable items		Electronic communication of item information	Measurement of the transit time of end-to-end services	Re-forwarding
Identification & codification of postal consignment	Product safety		Item level tracking information	Method for measurement of parcel transit time	Measurement of loss and substantial delay in priority and first-class single piece mail



Marketing	Sales	Payment	Placing order	Delivering parcel	Customer service
EU eCommerce websites trust marks CE marking			Item messages with Customs Consignment messages with carrier Messages between postal operators	for cross-border parcels Apertures of private letter boxes and letter plates Parcel boxes for end use Digital opening and closing systems for parcel receptacles Requirements for electronic advanced data in postal operations	

The indicated standards are described in the EU [baseline](#). Each of the standards represent a model specification or a technical solution against which the actors of eCommerce ecosystem trade across-borders. The baseline examines the status of standards related to eCommerce in the European Union and aligned to the recommendations of the international organisations such as the European Committee for Standardisation (CEN) and the UPU.

3.3.4 Data collection

Data collection in the Eastern partner countries was conducted by local research teams. A detailed methodology for assessment of each of three areas using structured questionnaires facilitated interviews and data collection. Each question corresponds to an evaluation criterion in [the EU legal baseline](#) for eCommerce. The questions are grouped into several thematic categories, as presented in the following table.

Table 6: Thematic categories of three questionnaires used in the data collection

Legal	Standards	Ecosystem
Consumer protection Parcel delivery Universal Postal Union Security of networks and information systems Geo-blocking Data protection Electronic contracts Electronic payments Platforms	Quality of services Interoperability Digital Postal Services Physical process and associated data Stakeholders and Information Exchanges based on UN/EDIFACT Stakeholder and Information Exchanges based on the EU customs model UPU electronic exchange standards UPU technical standards EU eCommerce websites trust marks eCommerce and product safety Terms and Definitions	eCommerce platforms Payments Taxation Logistics and supply chain The process of cross-border sale in the EU

3.3.5 Gaps analysis

Gaps analysis was focused on identifying differences in laws, standards and practices related to eCommerce between the Eastern partner countries and with the EU. EU4Digital Facility developed gap analysis of



eCommerce state of play in each country after comparing it to [the EU baseline](#). The gap analysis covers three areas – legislation, standards and eCommerce ecosystem.

Gap analysis report for the three areas follows the same approach. First, a particular aspect of the state of play in the EU is indicated. Next to it, the state of play of this aspect in an Eastern partner country is summarised. In conclusion, gaps comparing to the EU state of play and analysis of the challenges for cross-border eCommerce are presented. In addition to the identified gaps, the EU4Digital Facility experts provide justification for recommendations to harmonise cross-border eCommerce in each Eastern partner country with the EU.

eCommerce stakeholders of the Eastern partner countries, both from the public and private sectors, were involved to assess the state of play by providing input to the local research teams, to review the collected data and to give feedback on the identified gaps.

3.3.6 Recommendations

The identified gaps have different degree of impact on the cross-border eCommerce between the country and the EU. Some gaps are important to address in order to boost eCommerce flows between the regions. Other gaps serve to improve the conditions of eCommerce nationally and cross-border. Based on the identified gaps, the EU4Digital Facility developed recommendations.

eCommerce ecosystem recommendations have objectives to:

- Eliminate the barriers for cross-border eCommerce;
- Boost cross-border eCommerce volume;
- Prepare countries for the upcoming EU and global changes introduced in 2021.

Legal framework and standards recommendations have an objective to address the key aspects that must be in place for cross-border eCommerce with the EU to work.

The recommendations for each of the Eastern partner country include specific actions to be considered on a national level. The recommendations are designed to provide practical and actionable inputs for the relevant government and non-government stakeholders to make necessary changes and include in national economy development plans.

In this document, the recommendations are presented starting from the overall eCommerce ecosystem aimed to boost eCommerce transactions volume and following with recommendations in legal and standards areas, which are supportive measures to reach the goal.



4 Gap analysis report for the Republic of Moldova

eCommerce stakeholders of Moldova were involved to assess the state of play and provided input for the local research teams, including:

- The Ministry of Economy and Infrastructure (including specialists in post and transport);
- The Customs Service;
- Posta Moldovei;
- Moldovan Association of Information and Communications Technology Companies;
- Moldova e-Governance Agency;
- Representatives of eCommerce marketplaces in Moldova.

Gaps are presented in three areas: eCommerce ecosystem, legislation framework and standards.

4.1 Gap analysis in eCommerce ecosystem area

The table below provides an overview of the identified gaps in ecosystem area in Moldova comparing to the state of play in the EU. The conclusions are provided next to gaps as:

- 'Similar practices as in the EU' if the ecosystem area functions in a way that is similar to the EU or
- 'Different practices than in the EU' if the ecosystem area functions in a way that is different from the EU.

The table follows the structure of eCommerce ecosystem as presented in the EU baseline and covers the following areas:

- eCommerce platforms;
- Payments;
- Taxation;
- Logistics and supply chain.

The table is summarised in the section *4.4. Summary of gap analysis*.



Gaps



Challenges



Table 7: Moldova: ecosystem gaps comparing to the EU eCommerce baseline

No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
eCommerce platforms			
1.	<p>There is a variety of the major global eCommerce platforms providing services in the EU market, which enables cross-border eCommerce in the EU. Using one of these platforms brings benefits to enter the market quickly and with relatively low costs.</p> <p>Key aspects to consider for the Eastern partner countries:</p> <ul style="list-style-type: none"> • Increase awareness and communicate the benefits of activating cross-border eCommerce through the major global eCommerce platforms. • Also, assess accessibility of the global eCommerce platforms in the market. 	<p>Availability of the global marketplaces:</p> <ul style="list-style-type: none"> • Customers make purchases on global marketplaces (e.g. Alibaba, eBay, Amazon, Joom). • For delivery, sellers and consumers use Posta Moldovei/EMS or forwarding services such as pesoto.md, bay.md. • Another way for sellers and customers to interact – is to use a workaround, i.e. consumers use addresses of their family/friends located in the EU who ship the goods purchased from international marketplaces to Moldova (these shipments are generally done via regular bus or train routes). • For businesses it is not common to directly sell through global marketplaces due to various challenges faced by retailers in fulfilment and logistics (described below). 	<p>Similar practices as in the EU. The global eCommerce ecosystem players, such as marketplaces, are not directly available in Moldova given the market size. It is not likely that the global marketplaces will enter Moldova (similarly as in some of the EU countries).</p> <p>Global logistics players (such as DHL, UPS, TNT) entered the market to enable availability of the global marketplaces, but it's challenging for them to maintain high volumes, which influences high rates for parcel delivery.</p> <p>As a result, businesses and customers leverage workarounds to make the global marketplaces available, such as parcel forwarding services or even ordering inside the EU and delivering items to Moldova by public transport.</p>
2.		<p>Usage of the global marketplaces:</p> <ul style="list-style-type: none"> • Businesses do not sell on the key global marketplaces because of: <ul style="list-style-type: none"> ○ Inefficient logistics: lack of presence of global logistics providers and digital postal services that are focused on exports (the existing ones are expensive or slow). ○ High rates⁹ charged by postal operators for the delivery of international postal items ranging between 15 to 20 EUR to European countries in 	<p>Different practices than in the EU. Considering the limited availability/presence of the global marketplaces in Moldova, their usage is limited.</p> <p>Businesses face challenges to deliver items to the EU due to the lower maturity of cross-border logistics ecosystem for commercial items – although the global logistics stakeholders are available, they are not common to be used.</p> <p>Customers in Moldova find that the number of goods available for Moldova on global</p>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
		<p>comparison to rates as low as 3 EUR¹⁰ in some of the closest EU countries, such as Romania.</p> <ul style="list-style-type: none"> ○ Complicated customs formalities (customs declarations). Cross-border returns rarely happen, because they are treated as regular postal sending with all respective rules and taxation. ● Customers use some of the key global marketplaces, but face challenges: <ul style="list-style-type: none"> ○ Shipping to Moldova is not an option for a large variety of products. ○ The time to get goods delivered can be up to three weeks. Therefore, many consumers use intermediate services for parcel forwarding. ○ In case of goods return, the process is complex as it follows the regular postal sending with all respective rules and taxation. 	<p>marketplaces is limited, unless parcel forwarding services are used of which customers have to be aware and ready to pay extra and wait longer.</p> <p>The state of play analysis shows that businesses and consumers in Moldova buy and sell in the EU, but they find workarounds to do so (such as parcel forwarding services or even ordering inside the EU and delivering items to Moldova by public transport).</p>
3.	<p>In the EU, eCommerce marketplaces play an important role in cross-border sales as they allow SMEs to expand globally at reasonable cost. Such platforms provide support in payments, logistics, localisation and other key areas of cross-border eCommerce.</p> <p>Key aspects to consider for the Eastern partner countries: depending on audience, it may be the most effective to engage with buyers on local platforms.</p>	<p>Local marketplaces selling cross-border:</p> <p>It is not common for local marketplaces to sell cross-border. Because of the challenges described above.</p>	<p>Different practices than in the EU. It is not common for local marketplaces in Moldova to sell to the EU. Logistics operations are slow and/or expensive, whereas EU ecosystem stakeholders expect fast and lower cost delivery.</p>

⁹ Rates in MDL. 1 EUR = 19.6 MDL. Rates to each country are provided below:

Regular mail/Posta Moldovei: <http://posta.md/files/Files/schimb%20tarife%202015/Anexa%20la%20ordin%2047%20-%20Tarife%20colete%20internat.%202015.pdf>

Express mail/EMS: http://posta.md/files/Files/schimb%20tarife%202015/Anexa_nr._1_la_ord._48_din_17.03.2015_Tarife_pentru_expedierea_EMS_internationale.pdf

¹⁰ <https://ecommercenews.eu/the-average-shipping-costs-in-europe/>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
4.	<p>Continental eCommerce platforms focus on markets throughout the European Economic Area (EEA). Such platforms personalise operations to the EU market by providing services in two or three European languages, accepting three or four currencies and localising communication channels.</p> <p>Key aspect to consider for the Eastern partner countries: increase the awareness of the importance for cross-border eCommerce to personalise and localise eCommerce platforms with languages and currencies familiar for audiences.</p>	<p>Localisation and personalisation of local marketplaces:</p> <ul style="list-style-type: none"> • Most platforms are available in Romanian and Russian only. • Even though different currencies are displayed on marketplaces, all payments are done in the national currency. 	<p>Different practices than in the EU. For a seamless eCommerce transaction between the EU and Moldova, it is important to indicate prices at least in EUR currency. It is not common for marketplaces in Moldova to localise and personalise services for the EU buyers by offering English language and EUR currency.</p>
Payments			
5.	<p>Following payment methods are typically offered to the EU customers: Visa/Mastercard, Digital wallets, Domestic bank credit / debit card, Bank transfer, Invoice, Cash-on-delivery, iDeal.</p> <p>Key aspects to consider for the Eastern partner countries: consider implementing the most common electronic payment methods that consumers expect to see on eCommerce platforms, such as bank cards, digital wallets, bank transfer, invoice, cash-on-delivery. The preference varies on country.</p>	<p>Payment methods usage:</p> <ul style="list-style-type: none"> • Accepted payment methods: Visa/Mastercard; digital wallets (only a local one Paynet¹¹); domestic bank credit / debit card; cash-on-delivery (most common). • Not common payment methods: PayPal and Alipay; bank transfer; invoices; iDeal (not used at all). • Some of the reasons why digital wallets are not common: <ul style="list-style-type: none"> ○ Out of control of the local tax authorities. ○ Create additional burden on businesses in tax reporting. ○ Inability to receive money from the PayPal accounts registered in the EU while using PayPal account registered in Moldova. 	<p>Different practices than in the EU. Although some of the most common payment methods in Moldova are aligned with the EU, consumer prefer cash-on-delivery payment method for eCommerce transactions. This is not supported by most of the global marketplaces.</p> <p>Also, digital wallets are not common in Moldova for eCommerce transactions, where only local solution (i.e. Paynet) is popular in Moldova. Tax authorities face challenges to control transactions from digital wallets (e.g. PayPal) and businesses face additional complications to report taxes from such transactions.</p>

¹¹ Applicable only for one platform a1.md.



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
		<ul style="list-style-type: none"> High fees for international payment services charged by the bank: online payments more expensive than cash (for each transaction, the retailer may be charged up to 0.5%¹² + there are minimum fixed fees, collected by the National Bank of Moldova). Also, SMEs are obliged to hold a bank deposit of about 10-15% of the turnover, in order to cover the transactional risks. MPay, the governmental payment service, is implemented to facilitate payments for services provided by public service providers. Further plans to develop the solution are included in a Roadmap to boost the process of digitization of the national economy and development of electronic commerce¹³. 	<p>In Moldova, marketplaces do not use global payment gateways to process payments. Rather, local solutions are used. This makes the payments more challenging, as consumers cannot see the common and trusted services in the EU during the checkout.</p>
6.	<p>To process payments, it is common for the EU business to use global electronic payments service providers. These providers meet standards for data security and are trusted by both, businesses and consumers. That is why, consumers expect to see payment gateways when shopping cross-border, such as¹⁴: Amazon payments, WePay, PayPal payments standard, Authorize.net, 2Checkout, Stripe, eWay, Payment Express.</p> <p>Key aspects to consider for the Eastern partner countries: Consider implementing the most common and trusted payment gateways that are available on the EU eCommerce marketplaces.</p>	<p>Payment gateways usage:</p> <ul style="list-style-type: none"> Businesses do not commonly use global payments gateways that are used in the EU to process payments. Instead, local solutions are used, such as paynet.md, bpay.md. To process payments, solutions from Visa/Mastercard, paynet.md, bpay.md and bank transfers are used. 	
Taxation			

¹² https://www.bnm.md/files/eng_HCE_2019-06-27_180%20fees.pdf

¹³ eCommerce Roadmap: <https://eufordigital.eu/moldova-presents-roadmap-for-boosting-digitization-of-national-economy-and-development-of-e-commerce/>

¹⁴ <https://www.j2store.org/j2store-payment-gateways2/germany.html>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
7.	<p>EU businesses and authorities are adjusting their systems and processes to the EU 2021 eCommerce package.</p> <p>For businesses selecting Import One Stop Shop¹⁵ (hereafter, IOSS) facility, especially for non-EU businesses, it is important to note that the IOSS representative for the remote seller has to register only in one Member State within the EU - the Member State of Identification (MSI). So, businesses must have an IOSS representative in the EU / EEA with a contract with the seller, acting as its fiscal representative¹⁶.</p> <p>When selling through own website, businesses themselves need to appoint an EU intermediary to obtain an EU IOSS VAT number. However, when selling through a marketplace / platform, the operator of this marketplace / platform becomes liable to pay the VAT to the EU tax authorities.</p> <p>Key aspects to consider for the Eastern partner countries:</p> <ul style="list-style-type: none"> • Tax / customs authorities must be connected to the EU IOSS database. • Businesses should consider appointing IOSS representatives in the EU. • Increase awareness and communicate the changes in VAT processes associated with IOSS. 	<p>Awareness of eCommerce package – IOSS:</p> <p>eCommerce stakeholders are not aware of the IOSS introduced as part of the EU 2021 eCommerce package. No preparatory actions have been taken yet.</p>	<p>No awareness as of summer 2020. The key stakeholders in Moldova are not aware of the EU changes to cross-border taxation procedures in 2021 and are not doing preparatory actions, which includes establishing a representative in the EU, updating IT systems and cross-border taxes reporting processes.</p> <p>Adopting IOSS and adjusting business processes to its usage may address some of the identified challenges - in particular, in transactions involving digital wallets, authorities can better control taxes flows and businesses access a system to report cross-border taxes by using IOSS.</p>
Logistics and supply chain			

¹⁵ https://ec.europa.eu/taxation_customs/business/vat/modernising-vat-cross-border-e-commerce_en. IOSS is the system to declare and pay VAT on business-to-consumer (B2C) distance sales of consignments of an intrinsic value of maximum EUR 150.

¹⁶ Explanatory notes on VAT eCommerce rules: https://ec.europa.eu/taxation_customs/sites/taxation/files/vatecommerceexplanatory_notes_30092020.pdf



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
8.	<p>The most common delivery method in the EU is the post. About 75% of all commercial postal items (EU definition: parcels) sent across borders are enabled through the UPU.</p>	<p>Post delivery:</p> <ul style="list-style-type: none"> Customers and businesses typically can select different ways to deliver commercial items, which includes the global delivery services such as DHL/UPS/TNT and the national postal operator EMS/Posta Moldovei. Businesses may enable delivery through these operators, and consumers may typically select the preferred method. For cross-border delivery, the national postal operator is using two hubs (offices of exchange)¹⁷. 	<p>Similar practices as in the EU. Moldova allows the key global logistics operators to the market. However, given the market size, these stakeholders don't have high maturity logistics networks as it's challenging to maintain high eCommerce volumes. The rates of the international parcel delivery operators are high comparing to the EU preventing them to use parcel delivery services for cross-border eCommerce.</p>
9.	<p>eCommerce retailers manage their logistics by working with international logistics companies such as DHL, DPD, UPS and FedEx.</p> <p>Key aspects to consider for the Eastern partner countries: Increase awareness of possible fulfilment models that retailers must consider. Depending on volume of sales, consider one of the fulfilment models:</p> <ul style="list-style-type: none"> Ship purchased goods from the third countries. Cooperate with logistics business in the EU (outsourcing delivery). Cooperate with multiple logistics business in the EU to ensure fast delivery. It is common for the EU businesses to cooperate with multiple service providers, because only a few international logistics companies have infrastructure on both sides of the border to cover the full cycle of delivery. Nevertheless, large companies, such as DPD, are capable to do so. 	<p>Availability of international logistics operators:</p> <p>Key international parcel delivery services available: DHL, UPS, FedEx, TNT, USPS.</p>	<p>The national post is the key stakeholder in cross-border eCommerce. However, the delivery time varies from two to three days, while in the EU, the same or the next day delivery is common (within 48 hours).</p>

¹⁷ International Mail Processing Centres: MDKIVA; MDKIVB.



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
	<ul style="list-style-type: none"> Own warehouse facilities in the EU to manage the delivery. Enable cross-border eCommerce through the global marketplaces, Amazon or Alibaba, to leverage their own delivery networks. 		
10.	<p>About 66% of the EU retailers use between two to ten carriers to enable delivery services. Half of these retailers use about five carriers for domestic and international needs.</p> <p>Key aspects to consider for the Eastern partner countries: Same as in question No 9.</p>	<p>Parcel delivery network:</p> <p>Delivery services involve multiple stakeholders: national postal operator deliver to dispatch offices; private postal operators such as Nova Posta or international service delivery operators can deliver to home addresses.</p>	<p>Similar practices as in the EU. Although international service delivery operators are available in the market and are expected to participate in the eCommerce ecosystem, they are not fully participating in the parcel delivery network due to high rates comparing to the EU.</p>
11.	<p>The most popular delivery locations are the following: Home, Post office (outlet of the national universal service provider), Work, Parcel shop (local or international service providers such as DHL), Retailer store, Parcel locker station (as an example of unattended delivery).</p> <p>Key aspects to consider for the Eastern partner countries: Same as in question No 9.</p>	<p>Delivery locations:</p> <ul style="list-style-type: none"> Parcels are delivered without challenges to home, Post office, Work, Parcel locker station (unattended delivery). No challenges identified. 	<p>Similar practices as in the EU.</p>
12.	<p>In most cases, the EU retailers may deliver purchased goods, when required (for a surcharge) during the same day within cities. In other cases, an additional day may be agreed with the customer.</p> <p>Key aspects to consider for the Eastern partner countries: Enable the same or next-day delivery to get purchased goods to buyers.</p>	<p>Delivery time:</p> <p>Same day delivery is not common. Postal operator established the delivery standards to deliver parcels in between 1 – 3 days (D+1 – within one locality; D+2 within one region; D+3 – between localities in Moldova).</p>	<p>Different practices than in the EU. The expected delivery time standards inside Moldova are few days longer than the same or the next day delivery expected in the EU.</p> <p>This is a challenge for a seamless cross-border delivery of parcels to the EU as it is important to ensure optimised delivery to the border.</p>
13.	<p>High quality service with relatively short delivery time to large, mid-sized and small cities. The major retailers deployed their own warehousing and delivery processing facilities to fulfil growing</p>	<p>Delivery to remote areas:</p>	<p>Similar practices as in the EU. Decentralised network with active postal offices in all regions of the country is an old state-of-art, which is recommended to be</p>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
	<p>eCommerce needs for high quality delivery to remote areas. Delivery to remote areas is dependent on the road availability.</p> <p>Key aspects to consider for the Eastern partner countries:</p> <ul style="list-style-type: none"> • Ensure availability of infrastructure to a pick-up point selected by a consumer. Otherwise, delivery operators may drop shipments in the nearest drop locations. • For optimised delivery, it is important to ensure a sufficient infrastructure. 	<ul style="list-style-type: none"> • Postal operator has offices in almost all localities in the country (including rural areas) and provide postal services within the whole country. • Last-mile delivery depends on the service/courier: Posta Moldovei delivers to its nearest office whereas Nova Posta and other services deliver to the home address. • No challenges identified. 	<p>updated according to the global and the EU best practices. In the EU, it is common to establish consolidated central distribution networks to achieve timely transportation of parcels.</p>
14.	<p>EU businesses and authorities are adjusting their systems and processes to the EU 2021 eCommerce package.</p> <p>One of the aims of the 2021 modernisation is to eliminate traditional or physical documentation. All logistics businesses will need to adjust and use the IT system – Import control system 2 – to exchange pre-arrival information about goods¹⁸.</p> <p>Key aspects to consider for the Eastern partner countries:</p> <ul style="list-style-type: none"> • Increase awareness and communicate that retailers, parcel delivery services and tax / customs authorities will have to use electronic advanced data instead of physical documentation. • Retailers, parcel delivery services and tax / customs authorities should consider integrating with the IT system – Import control system 2 – to exchange pre-arrival information about goods. 	<p>Awareness of eCommerce package - electronic declarations only:</p> <ul style="list-style-type: none"> • Traditional physical customs declaration is planned to be gradually eliminated when Customs authorities will update their ASYCUDA system to make possible the electronic exchange of customs data and system integration with Posta Moldovei. • There are plans for Customs and Postal systems to be integrated/connected to the EU Import Control System 2. • No clear deadlines for preparatory actions. 	<p>No full awareness as of summer 2020. Although there are plans in Moldova to introduce electronic declarations and connect to the EU IT system, there are no clear deadlines for implementation by the customs authorities. Moreover, the key eCommerce stakeholders lack awareness to start preparatory actions, which includes adjustments to the systems and business processes.</p> <p>Adjusting to these 2021 changes of the EU is important for Moldova to speed up cross-border delivery, which is identified as one of the challenges. Also, it may benefit private parcel delivery services in terms of the cross-border transportation.</p>

¹⁸ Explanatory notes on electronic advanced data: <https://standards.iteh.ai/catalog/standards/cen/0428799b-5273-45f8-8629-17da8e92f54f/fprcen-tr-17536>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
15.	<p>EU businesses and authorities are adjusting their systems and processes to the EU 2021 eCommerce package.</p> <p>One of the aims of the 2021 modernisation is to transport goods using a simplified dataset to be shared with customs authorities, prior to crossing the border into The EU /EEA for low value consignments. It can be used by all stakeholders¹⁹.</p> <p>Key aspects to consider for the Eastern partner countries: increase awareness and communicate that parcel delivery services and tax / customs authorities can benefit from simplified customs procedures, where reduced data set can be used to declare goods to customs in the EU.</p>	<p>Awareness of eCommerce package - simplified customs procedures:</p> <ul style="list-style-type: none"> • Customs code is updated in 2020 to specify provisions around simplified customs declaration. • The national postal operator is aware of the EU 2021 eCommerce package, as they are the UPU member. • However, parcel delivery service operators (that are not designated national operators) are not aware of the EU eCommerce package. <p><i>Note:</i> customs code was updated in 2020 specifying general provisions for simplified customs declaration. However, it's not fully adjusted with the EU eCommerce package.</p>	<p>No full awareness as of summer 2020. Although the national postal operators and the customs authorities in Moldova are aware of the EU 2021 eCommerce package (about simplified procedures at customs), private delivery services in Moldova are not aware of the possibility to use simplified procedures in 2021.</p> <p>Adjusting to these 2021 changes of the EU is important for Moldova, which may make private parcel delivery services faster and affordable for cross-border eCommerce, while high rates is a current challenge in Moldova.</p>
16.	<p>EU businesses and authorities are adjusting their systems and processes to the EU 2021 eCommerce package.</p> <p>In July 2021, de-minimis will be cancelled and VAT will apply to all purchased goods. The eCommerce stakeholders may expect that imports may become more expensive as VAT will apply to all goods – without exceptions. It may increase burden on national customs authorities having to process additional number of goods²⁰.</p> <p>Key aspects to consider for the Eastern partner countries: Introduce awareness campaign to communicate that as de-minimis are cancelled there is impact on cross-border parcel delivery, such as:</p> <ul style="list-style-type: none"> • Businesses should consider leveraging local EU fulfilment services to optimise delivery 	<p>Awareness of eCommerce package - no exceptions to pay VAT:</p> <ul style="list-style-type: none"> • The national postal operator is aware of the EU 2021 eCommerce package, as they are the UPU member. • However, parcel delivery services (that are not designated national operators) are not aware of the EU eCommerce package. 	<p>No full awareness as of summer 2020. Although the national postal operator is aware of the EU 2021 eCommerce package, delivery services in Moldova are not aware of the removed exceptions to pay VAT in 2021.</p> <p>Unawareness of the changes create a risk for stakeholders that they are not ready for more expensive transactions, additional burden to declare all items at customs. Adjustment to the changes is necessary not to block eCommerce with the EU completely.</p>

¹⁹ Explanatory notes on simplified customs procedures: <https://standards.iteh.ai/catalog/standards/cen/0428799b-5273-45f8-8629-17da8e92f54f/fprcen-tr-17536>

²⁰ Explanatory notes on VAT eCommerce rules: https://ec.europa.eu/taxation_customs/sites/taxation/files/vatecommerceexplanatory_notes_30092020.pdf



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
	<p>processes by importing larger transportation pallets, rather than individual parcels falling under de-minimis rules.</p> <ul style="list-style-type: none"> Burden on national customs authorities may increase having to process additional number of goods. 		
17.	<p>Requirements for returns include preservation of the original product (or control of usage) and compliance with deadlines. Consumers do not have to provide reasons for return. Not all logistics companies manage cross-border returns, thus, in addition to the biggest parcel delivery operators that can do it, specialised returns software providers and companies exist. Pick-up drop-off (PUDO) points is a common way to send back purchased goods to retailers.</p> <p>Key aspects to consider for the Eastern partner countries: Introduce awareness campaign to communicate to consumers, businesses and parcel delivery services the key requirements of the return procedure:</p> <ul style="list-style-type: none"> Original product has to be preserved. Businesses can verify if goods have been used and reject the return. Customers have 14 days to decide to return purchased goods without providing any reason. Parcel delivery operators should consider installing unattended delivery options to enable customers to drop goods. Retailers must provide reimbursement as soon as evidences received. The biggest logistics operators provide the cross-border return services. Businesses may 	<p>Return delivery:</p> <ul style="list-style-type: none"> The original look of the goods is checked by retailers. The timeline for return of commercial items is normally specified in the contract. Customer do not need to provide reasons. It is possible to return goods without major issues if package is unopened or factory defect is visible. Items are common to be dropped at the postal operator office. Return is done by the national postal operator. 	<p>Similar practices as in the EU. Return of goods is one of the key factors that build trust for consumers. To enable cross-border eCommerce it is important for Moldova to fully align the return procedures.</p> <p>Although return procedures and terms are normally specified in contracts in Moldova, it is required to establish in the procedure a clear customer protection aspect -- customers have 14 days to decide to return purchased goods without providing any reason and customers should be reimbursed as soon as evidences of a return are provided.</p> <p>In the ecosystem of Moldova, no return specialised operators (e.g. specialised software, parcel operators specialised on returns) are observed.</p> <p>Also, involving other stakeholders (e.g. unattended delivery services) in the return process might improve it.</p>



No	State of play in the EU	State of play in Moldova	Gaps comparing to the EU baseline / Challenges
	<p>consider cooperating with such or domestic stakeholders to manage the cross-border return.</p> <ul style="list-style-type: none"> Also, they may consider cooperating with the EU or domestic return software. 		
18.	<p>EU businesses and authorities are adjusting their systems and processes to the EU 2021 eCommerce package.</p> <p>The newly introduced process in 2021 for cross-border parcel supply:</p> <ul style="list-style-type: none"> Is a standard process to exchange information between stakeholders in advance, i.e. before purchased goods are transported; Is based on an Electronic Advanced Data flow of information; Is performed on item level²¹; Is enabled by the global ID (which is explained in detail in the following section); Will be fully implemented in 2021. It will be mandatory to send this electronic advanced data for each commercial item, prior to any border crossing into the EU /EEA for customs, fiscal and transport security purposes. 	<p>Awareness of eCommerce package - cross-border parcel supply chain:</p> <ul style="list-style-type: none"> The majority of eCommerce stakeholders assign IDs that allow to track purchased goods on item level. The majority of eCommerce stakeholders exchange information between themselves in advance and including Preloading advance cargo information (PLACI), i.e. before purchased goods are transported. eCommerce stakeholders do not use harmonised ID, where all assigned IDs are linked to the originally assigned IDs by seller. 	<p>Different practices than in the EU. Currently, harmonised ID, advanced electronic data and item level information exchange on parcels are not commonly used by <u>all</u> the key and involved stakeholders in Moldova.</p>

²¹ Explanatory notes on item-level tracking rules: <https://standards.iteh.ai/catalog/standards/cen/29395c55-0c81-4a45-8358-059647b5cca7/cen-tr-17535-2020>



4.2 Gap analysis in legal area

The table in this section provides an overview of the identified gaps in legislation area in Moldova comparing to the state of play in the EU. The table follows the structure of eCommerce legal framework as presented in the [EU baseline](#) and covers the following areas:

- Consumer protection
- Parcel delivery
- Security of networks and information systems
- Geo-blocking
- Data protection
- Electronic contracts
- Electronic payments
- Platforms

The table is summarised in the section *4.4. Summary of gap analysis*.

4.2.1 Country profile

National legislation agenda in relation to eCommerce

Recently, The Ministry of Economy and Infrastructure developed a Roadmap to boost the process of digitization of the national economy and development of electronic commerce²² and published it for public consultations.

The Republic of Moldova is in the process of implementation of the Association Agreement with the European Union.

- The **eCommerce sector** in the Republic of Moldova is regulated mainly by the Law on eCommerce *, no. 284-XV of 22.07.2004²³, which transposes Directive 2000/31 / EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market (Directive on electronic commerce).
- The **consumer protection** is regulated by the Law on consumer protection, No. 105, from 13.03.2003²⁴, which lays down the legal basis for the protection of persons as consumers by the State and transposes Directive 2005/29 / EC of the European Parliament and of the Council of 11 May 2005 on unfair

²² eCommerce Roadmap: <https://eufordigital.eu/moldova-presents-roadmap-for-boosting-digitization-of-national-economy-and-development-of-e-commerce/>

²³ Law on eCommerce *, no. 284-XV of 22.07.2004. Republished: Official Gazette of the Republic of Moldova no. 40-47 / 104 of 09.02.2018, Official Gazette of the Republic of Moldova no.138-146 / 741 of 13.08.2004, transposes Directive 2000/31 / EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market (e-commerce directive), published in the Official Journal of the European Union 178 of July 17, 2000.

²⁴ Law on consumer protection, No. 105, from 13.03.2003, published: 27.06.2003 in the Official Gazette no. 126-131 art No: 507 (date of entry into force: 28.10.2003), transposes Directive 2005/29 / EC of the European Parliament and of the Council of 11 May 2005 on unfair business-to-consumer commercial practices in the internal market. amending Council Directive 84/450 / EEC, Directives 97/7 / EC, 98/27 / EC and 2002/65 / EC of the European Parliament and of the Council and Regulation (EC) No. 2006/2004 of the European Parliament and of the Council, published in the Official Journal of the European Union (OJ) no. L 149/22 of 11 June 2005. [Preamble amended by LP140 of 28.07.11, MO146 / 28.08.11 art.446; in force 01.01.12].



business-to-consumer commercial practices in the internal market, amending Council Directive 84/450 / EEC, Directives 97/7 / EC, 98/27 / EC and 2002/65 / EC of the European Parliament and of the Council and Regulation (EC) No. 2006/2004 of the European Parliament and of the Council.

- The **postal communications** are regulated by the Law No. 36, from 17-03-2016, on postal communications²⁵, which transposes the Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services.
- By the Government Decision No. 1226, from 09-11-2016, on quality standards for universal postal service²⁶ are adopted the **quality standards for the universal postal service**, transposing Articles 16 and 17 and the Annex to Directive 97/67 / EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service.
- The **ratification of the UPU agreement** was done by Government Decision for the approval of the draft law on ratification General Regulations of the Universal Postal Union, drawn up in Doha on 11 October 2012, no. 120 from 16.02.2016²⁷.
- The **networks and data security** are ensured by the Law on electronic communications, No. 241, from 15.11.2007²⁸. Also, data security is ensured by the Law No. 467, from 21-11-2003, on computerization and state information resources²⁹.
- The **protection of personal data** is ensured by the Law No. 133, from 08-07-2011, on the protection of personal data³⁰, which transposes the Directive 95/46 / EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.
- **Electronic contracts** are governed by the Civil Code and by the Law on eCommerce*, no. 284-XV of 22.07.2004, which, transposes Directive 2000/31 / EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market (Directive on electronic commerce).
- Electronic payments are regulated by the Law No. 114, from 18.05.2012, on payment services and electronic money³¹, which transposes Directive 2007/64 / EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market, amending Directives 97/7 / EC,

²⁵ Law No.36, on postal communications, from 17-03-2016, Published: 29-04-2016 in the Official Gazette no. 114-122 art. 225, Version in force since 17.09.18 based on changes by LP160 of 26.07.16, MO309-320 / 17.08.18 art.488.

²⁶ Government Decision No.1226, on quality standards for universal postal service, from 09-11-2016, Published: 11-11-2016 in the Official Gazette no. 388-398 art. 1323, Version in force since 02.11.18 based on changes by HG1013 of 17.10.18, MO410-415 / 02.11.18 art.1113, , transposing Articles 16 and 17 and the Annex to Directive 97/67 / EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service, published in the Official Journal of the European Communities L 15 of 21 January 1998.

²⁷ Government Decision for the approval of the draft law on ratification General Regulations of the Universal Postal Union, drawn up in Doha on 11 October 2012, no. 120 from 16.02.2016, Official Gazette no. 38-42 / 145 of 19.02.2016.

²⁸ Law on electronic communications, No. 241, from 15.11.2007 , Published: 14.03.2008 in the Official Gazette no. 51-54 art Nr: 155, ADJUSTED: LP185 of 21.09.17, MO371-382 / 27.10.17 art.632; in force 27.10.17 LP135 from 07.07.17, MO301-315 / 18.08.17 art.515 LP134 from 17.06.16, MO245-246 / 30.07.16 art.515; in force 01.08.16 LP154 of 30.07.15, MO224-233 / 21.08.15 art.457; in force 01.01.16 LP87 of 29.05.14, MO160-166 / 20.06.14 art.353; LP40 of 27.03.14, MO99-102 / 25.04.14 art.243; LP38 of 27.03.14, MO92-98 / 18.04.14 art.228 LP131-XVIII of 23.12.09, O23-24 / 12.02.10 art.35.

²⁹ Law No. 467, from 21-11-2003, on computerization and state information resources, Published: 01-01-2004 in the Official Gazette no. 6-12 art. 44, Version in force from 10.11.18 based on the amendments from LP143 from 19.07.18, MO309-320 / 17.08.18 art.482.

³⁰ Law No. 133, from 08-07-2011, on the protection of personal data, Published: 14-10-2011 in the Official Gazette no. 170-175 art. 492, ADJUSTED , LP38 of 28.02.20, MO103 / 14.04.20 art.176; in force 14.05.20

³¹ Law No. 114, from 18.05.2012, on payment services and electronic money , Published: 14.09.2012 in the Official Gazette no. 193-197 art No: 661 Date of entry into force: 14.09.2013, MODIFIED: LP208 of 12.10.18, MO430-439 / 23.11.18 art.672; in force 23.12.18, LP190 of 27.07.18, MO321-332 / 24.08.18 art.533; in force 24.09.18 LP160 from



2002/65 / EC, 2005/60 / EC and 2006/48 / EC and repealing Directive 97/5 / EC, published in the Official Journal of the European Union L 319 of 5 December 2007, as well as Directive no. 2009/110 / EC of the European Parliament and of the Council of 16 September 2009 on access to business, the conduct and prudential supervision of the activity of electronic money institutions, amending Directives 2005/60 / EC and 2006/48 / EC and repealing of Directive 2000/46 / EC.

Status of the approximation to the EU legal framework

For 2020, the Ministry of Economy and Infrastructure plans to transpose a set of EU Directives, in conformity with the EU – Moldova Association Agreement:

- Directive 2002/39/EC of the European Parliament and of the Council of 10 June 2002 amending Directive 97/67/EC with regard to the further opening to competition of Community postal services; DIRECTIVE 2008/6/EC of the European Parliament and of the Council of 20 February 2008 amending Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services - Promotion of the Draft Law to amend the Law postal communications no. 36/2016 (16.1) – Timeframe for implementation: Quarter I.
- Directive 2002/39/EC of the European Parliament and of the Council of 10 June 2002 amending Directive 97/67/EC with regard to the further opening to competition of Community postal services; Directive 2008/6/EC of the European Parliament and of the Council of 20 February 2008 amending Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services - Development and approval of the bylaws for implementation the provisions of the Law on postal communications no. 36/2016 (16.3) - Timeframe for implementation: Quarter IV.

4.2.2 Analysis of legislation

Consumer protection

The national legislation (laws, decrees, regulations) related to consumer protection in eCommerce:

- LAW No. 231 of 23-09-2010 on internal trade of 03.02.2020;
- LAW No. 291 of 16-12-2016 on the organization and conduct of gambling of 03.02.2020;
- LAW No. 20 of 04-03-2016 on national standardization 03.02.2020;
- LAW No. 19 of 04-03-2016 metrology 03.02.2020;
- LAW No. 131 of 08-06-2012 on state control over entrepreneurial activity of 03.02.2020;
- LAW No. 235 of 01-12-2011 regarding the accreditation and conformity assessment activities of 03.02.2020;
- LAW No. 231 of 23-09-2010 on internal trade * of 03.02.2020;
- LAW No. 420 of 22-12-2006 on the activity of technical regulation *03.02.2020;
- LAW No. 422 of 22-12-2006 on the general security of products03.02.2020;
- LAW No. 235 of 20-07-2006 regarding the basic principles of regulating the entrepreneurial activity of 03.02.2020;
- LAW No. 105 of 13-03-2003 on consumer protection *03.02.2020;
- LAW No. 451 of 30-07-2001 regarding the regulation by licensing of the entrepreneurial activity03.02.2020;

26.07.18, MO309-320 / 17.08.18 art.488, LP185 of 21.09.17, MO371-382 / 27.10.17 art.632; in force 27.10.17, which transposes Directive 2007/64 / EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market, amending Directives 97/7 / EC, 2002/65 / EC, 2005/60 / EC and 2006/48 / EC and repealing Directive 97/5 / EC, published in the Official Journal of the European Union L 319 of 5 December 2007, as well as Directive no. 2009/110 / EC of the European Parliament and of the Council of 16 September 2009 on access to business, the conduct and prudential supervision of the activity of electronic money institutions, amending Directives 2005/60 / EC and 2006/48 / EC and repealing of Directive 2000/46 / EC, published in the Official Journal of the European Union L 267 of 10 October 2009



- Orders, Decisions, Codes.

Table 8: Moldova: legislation gaps comparing to the EU eCommerce baseline – consumer protection

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
Contractual obligations				
1.	Consumer contracts, Regulation (EC) No 593/2008, Article 6(1)	Civil Code, Civil Code no.1107-XV of 06.06.2002, 3rd Book / Obligations, Article 2620. Consumer contracts	The contract concluded by a consumer with a professional is governed by the law of the state in which the consumer is habitually resident.	Compatible
Unfair commercial practices				
2.	Prohibition of unfair commercial practices, Directive 2005/29/EC Articles 5-9	The Law no.105-XV of 13 March 2003 on consumer protection	Article 2. Scope of application (1) This law sets out general requirements for consumer protection, ensuring the framework for unhindered access to products and services, full disclosure of essential features, protection and consumers' insurances of legitimate rights and interests in the event of unfair commercial practices. Article 10. Unfair commercial practices. (4) The incorrect commercial practices are, in particular, those: a) misleading, in the sense of the provisions of par. (5) - (12); b) aggressive, in the sense of the provisions of par. (13) - (15). (5) Misleading commercial practices may be misleading actions or misleading omissions.	Compatible
3.	Recourse to the codes of conduct, Directive 2005/29/EC Articles 10	Not regulated. The legislation does not promote the control of unfair commercial practices by recourse to the national bodies providing codes of conduct when proceedings before such bodies are in addition to the court or administrative proceedings. This limits available means to deal with national and cross-border unfair eCommerce practices cases by out of court mechanisms.		
4.	3.1.3.3 Adequate and effective means to combat unfair commercial practices, Directive 2005/29/EC Articles 11	The Law no.105-XV of 13 March 2003 on consumer protection	Article 5. Fundamental rights of consumers Every consumer has the right to: g) addressing in the public authorities and representing in them his interests; h) notifying the associations for the protection of consumers and public authorities on the violation of their rights and legitimate interests, as a consumer, and on submitting proposals regarding the improvement of the quality of products, services. There is no restriction on whether the trader is located in Moldova or not.	Compatible
Consumer rights				
5.	Requirements for distance contract, contract medium	Civil Code, no 1107-XV of 06.06.2002, 3rd Book / Obligations, Section 2	Article 1015. Information requirements for distance and off-premises contracts. Article 1016. Formal information requirements for off-	Compatible



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
	and language, Directive 2011/83/EU Articles 6-8		premises contracts. Article 1017. Formal information requirements for distance contracts.	
6.	Compulsory information to provide before placing an online order, Directive 2011/83/EU Article 8	Civil Code, no 1107-XV of 06.06.2002, 3rd Book / Obligations, Section 2	Article 1017. Formal requirements for information in the case of distance contracts.	Compatible
7.	Formal requirements for confirmation of the distance contracts, Directive 2011/83/EU Article 8	Civil Code, no 1107-XV of 06.06.2002, 3rd Book / Obligations, Section 2	Article 1017. Formal requirements for information in the case of distance contracts. (8) If a distance contract is to be concluded by means of a telephone call from the seller or supplier, the professional must confirm the offer made to the consumer, whose commitment starts only after he has signed the offer or after having sent its written consent. Such confirmations have to be made on a durable medium.	Partially compatible. The national legislation requires the trader to provide the consumer with the confirmation of the contract concluded on a durable medium if a distance contract is to be concluded by means of a telephone call. The cases for other distance contracts (on-line) are not explicitly indicated.
8.	Obligations of the trader and the consumer in the event of withdrawal, Directive 2011/83/EU Articles 13-14	Civil Code, no 1107-XV of 06.06.2002, 3rd Book / Obligations, Section 2	Article 1060. Term of revocation (1) Without prejudice to the provisions of art. 1061, the revocation term is 14 days. Article 1057. Obligations of the professional in case of revocation. (1) The professional is obliged to reimburse all amounts received as payment from the consumer, including, where applicable, those covering the costs of delivery of the goods by the consumer, without undue delay and, in any case, not no later than 14 days from the date on which the consumer is informed of the decision to revoke the contract.	Compatible
9.	Delivery of purchased goods, Directive 2011/83/EU Article 18	Civil Code, no 1107-XV of 06.06.2002, 3rd Book / Obligations	Article 1158. The handing over of the good to the consumer and the termination of the goods. (1) Unless the parties have agreed otherwise on the time of the surrender, the professional must hand over the possession or control of the good to the consumer without undue delay and in any event not later than 30 days after the conclusion of the contract.	Compatible
Consumer Sales and Guarantees				



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
10.	Conformity of consumer goods with the contract, Directive 1999/44/EC Article 2	The Law no.105-XV of 13 March 2003 on consumer protection. Law no.187 from 28.07.2016 amending and supplementing Law no.105-XV of 13.03 2003 on consumer protection	Article 161. Conformity of products with the specifications included in the contract of sale. (1) The seller is obliged to deliver to the consumer products that are in conformity with his contract of sale. (2) Products shall be deemed to comply with their contract of sale.	Compatible
11.	Liability of the seller to the consumer for any lack of conformity of delivered goods, Directive 1999/44/EC Article 3	Law no.187 from 28.07.2016 amending and supplementing Law no.105-XV of 13.03 2003 on consumer protection	Article 18. Consumer rights in the event of product nonconformity. (2) In the event of non-compliance, the consumer shall have the right to require the seller to bring the product free of charge, repair or replacement, or to receive the appropriate price reduction or refund the equivalents for this product through the rescission of the contract.	Compatible
12.	Right of redress by the final seller liable to the consumer, Directive 1999/44/EC Article 4	Law no.187 from 28.07.2016 amending and supplementing Law no.105-XV of 13.03 2003 on consumer protection	Article 182. Recourse action. If the seller is liable to the consumer for the non-compliance resulting from an action or omission of the manufacturer or an economic operator of the same contractual chain, the seller is entitled to bring an action against the person responsible for the non-compliance in accordance with the law.	Compatible
Better enforcement and modernisation of consumer protection rules				
13.	Misleading commercial practices of paid advertisement, Directive 2005/29/EC Annex 1 (Directive (EU) 2019/2161, Art 3 (7)(a))	Not regulated. The national legislation of the Republic of Moldova does not contain provisions indicating the cases when paid advertisement is considered as a misleading commercial practice. Particularly, this is a case when search results in response to a consumer's online search query are provided without clearly disclosing any paid advertisement. Search results for which payments are specifically conducted for achieving higher ranking of products within the search results are not explicitly indicated.		
14.	Misleading omissions for products offered on online marketplaces, Directive 2005/29/EC Annex 1 (2019/2161, Art 7(f)) / Directive (EU) 2019/2161, Art 3 (4)(f)	Law No. 284, from 22.07.2004, on e-commerce, Civil Code, Title II on contracts in general, Chapter I general provisions concerning the contract and the content of the contract. Chapter II pre-contractual obligations Section 1 Information obligations in general	Article 12. Intermediation in electronic commerce. (1) In order to ensure the exchange of electronic documents and electronic communications, the subjects of electronic commerce may use, on a contractual basis, the services of the intermediary in electronic commerce related to the organization and management of the respective information systems and networks. Article 1015. Information content requirements in the case of distance contracts and negotiated off-premises. (2) The offers or information regarding the goods, works or services proposed by the e-commerce agent must be presented in electronic form in such a way as to allow the reproduction of the information without distortions and the formation of a clear image about the e-commerce agent.	Partially compatible. The national legislation defines the notion of an intermediate in electronic commerce. However, it does not fully specify what is an online marketplace. The marketplace is an essential part of cross-border eCommerce ecosystem and must be legally defined to enable its use.



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
15.	Information requirements for distance contracts of digital content and digital service, Directive (EU) 2019/2161 Art 4 (2)(b) / Directive 2011/83/EU Art 3	Law No. 284, from 22.07.2004, on e-commerce Civil Code	Article 477. Digital content and digital good Civil Legislation. Article 329. Absolute nullity of protection of the consumer. (1) In consumer contracts, abusive clauses are null and void.	Partially compatible. The legislation defines digital content, but not explicitly digital service supplied by the trader to the consumer. The clarity of what is digital service is important for defining contractual terms, specifically for cross-border trade.
16.	Information requirements for distance contracts when price was personalised on the basis of automated decision-making, Directive (EU) 2019/2161, Art 4 (4)(a)ii / Directive 2011/83/EU Art 6	Not regulated. Before the consumer is bound by a distance or off-premises contract, or any corresponding offer, the trader shall inform the consumer, where applicable, that the price was personalised on the basis of automated decision-making. The national legislation of the Republic of Moldova does not apply this provision.		
17.	Fake price reductions, Directive (EU) 2019/2161, Art 2 (1) / Directive 2011/83/EU Art 6a	Not regulated. Any announcement of a price reduction shall indicate the prior price applied by the trader for a determined period of time prior to the application of the price reduction. The prior price of the product is the lowest price in the last 30 days before the price reduction. This assures a better consumer protection for eCommerce transactions against possible price manipulations. The national legislations of the Republic of Moldova do not include any similar provisions.		
18.	Misleading omissions about consumer reviews of products, Directive (EU) 2019/2161, Art 3 (4)(c) / Directive 2005/29/EC Art 7 (4)	Not regulated. The legislation of the Republic of Moldova does not require that the trader providing access to consumer reviews of products must inform the consumer about whether and how the trader ensures that the published reviews originate from consumers who have actually used or purchased the product. This aspect is critical for domestic and cross-border consumers in protecting against misleading omissions about consumer reviews of products.		
19.	Enforcement of proportionate and effective remedies, Directive (EU) 2019/2161, Art 3 (5) 1 / Directive 2005/29/EC Art 11a	LAW No. 105, from 13.03.2003, on consumer protection	Article 5 ³² . Fundamental rights of consumers Every consumer has the right to: c) free remediation or replacement, refund of the value of the product, service or corresponding reduction of the price, repair of the damage, including moral, caused by the product, improper service.	Compatible
20.	Injunctions for the protection of consumers'	Not regulated. The courts or administrative authorities competent to rule on proceedings commenced by qualified entities (independent public bodies or organisations) aimed at the protection of the collective interests of consumers are not designated. This measure is		

³² Reference to be confirmed.



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
	interests, Directive 2009/22/EC Art 2 and 3	necessary to ensure that, in the event of an infringement originating in one country, any qualified entity from another country where the interests protected by that qualified entity are affected by the infringement, may apply to the court or administrative authority.		
Right to price indication				
21.	Consumer protection in the indication of the prices of products offered to consumers, Directive 98/6/EC Art 1, 3, 5	Government Decision no.966 of 18.10.2010 on approving the Regulation on the indication of the prices of products offered to consumers	Regulation stipulates indication of the selling price and the price per unit of measurement of products offered by traders to consumers in order to improve consumer information and to facilitate comparison of prices.	Compatible
Alternative dispute resolution for consumer disputes				
22.	Availability of procedures for the out-of-court resolution of domestic and cross-border disputes concerning contractual obligations, Directive 2013/11/EU Art 1, 2, 5-11	LAW No. 137, from 03.07.2015, on mediation, LAW No. 105, from 13.03.2003, on consumer protection	LAW No. 137, from 03.07.2015, on mediation, Chapter V, MEDIATION IN SPECIFIC AREAS. Section 1, Mediation in civil litigation. (2) Public associations for consumer protection may be registered as mediation organizations and / or accredited as training providers, under the conditions of this law. (3) Standards for the continuous training of mediators in the field of consumer protection shall be developed and approved by the Council, in consultation with the Agency for Consumer Protection and Market Surveillance.	Partially compatible. The legislation introduces only one type of alternative dispute resolution - mediation, and no other types such as Conciliation, Ombudsmen, Arbitration, and Complaints boards.
Online dispute resolution for consumer disputes				
23.	Availability of an online dispute resolution platform for consumer disputes, Regulation (EU) No 524/2013 Art 1-5	Not regulated. The rules for the establishment of online dispute resolution platform(s) facilitate the independent, impartial, transparent, effective, fast and fair out-of-court resolution of disputes between consumers and traders online. The legislation of the Republic of Moldova does not provide this mean of the consumer protection. No online dispute resolution platform is available in the Republic of Moldova at the moment.		

Parcel delivery

The national legislation (laws, decrees, regulations) related to parcel delivery:

- CODE No. 1107, from 06-06-2002, CIVIL CODE OF THE REPUBLIC OF MOLDOVA;
- CODE No. 1149, from 20-07-2000, CUSTOMS CODE OF THE REPUBLIC OF MOLDOVA;
- LAW No. 1569, from 20.12.2002, on how to enter and remove the goods, on the territory of the Republic of Moldova by individuals;
- LAW No. 172, from 25.07.2014, on the approval of the Combined Nomenclature of Goods;
- LAW No. 1380, of 20.11.1997, regarding the customs tariff;
- LAW on postal communications no.36, of 17.03.2016;
- GOVERNMENT DECISION No. 1034, from 16-10-2000, on the approval of the National Air Transport Facilitation Program;
- GOVERNMENT DECISION No. 1185, from 30.09.2003, on the approval of the Regulation on introduction and removal of goods from the territory of the Republic of Moldova by individuals;



- CUSTOMS SERVICE, ORDER Nr. 502, from 23-12-2015, regarding the approval of the Instruction on the procedure for payment of fees customs duties or charges having equivalent effect provided by art.12711 let. e) of the Customs Code;
- CUSTOMS SERVICE, ORDER Nr. 306, from 01-09-2016, regarding the modification of Order no. 502-O from December 23, 2015 regarding the approval Instruction on the payment procedure of customs duties or customs duties with effect equivalent provided by art.12711 letter e) of the Customs Code.

Table 9: Moldova: legislation gaps comparing to the EU eCommerce baseline – parcel delivery

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
Customs formalities				
24.	Customs declaration for all consignments of distance sales, Commission Delegated Regulation (EU) 2019/1143 Art 1, Commission Delegated Regulation (EU) 2015/2446	Not regulated. From 1 July 2021, the European Union will introduce the fully electronic customs declaration of all consignments covering distance sales of goods imported from third countries or territories to customers in the EU. The Republic of Moldova has not yet initiated any legislative work on the adaptation of the national legislation to the new EU rules in customs declaration. If not adapted, the flow of eCommerce towards the EU will be restricted.		
Fiscal aspects				
25.	Special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries, the Directives and Regulations the VAT eCommerce package	Not regulated. Special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries to the EU will be applied from 1 July 2021. The Republic of Moldova has not yet initiated any legislative work on this adaptation. If not adapted, the flow of eCommerce towards the EU will be restricted.		
Non-fiscal aspects				
26.	Compliance with product safety rules, Commission Notice 'Blue Guide', Section 7.3.	CODE No. 1149, from 20-07-2000, CUSTOMS CODE OF THE REPUBLIC OF MOLDOVA	Chapter I, GENERAL PROVISIONS, Section 1, Customs activity Risk management, risk analysis, risk assessment, risk profile, physical control.	Compatible
27.	Protection of intellectual property regarding products sold online and imported from third countries, Regulation (EU) No 608/2013	LAW No. 38, from 29.02.2008, on trademark protection, Customs Code	This law creates the necessary framework for the application of Council Regulation (EC) no. Commission Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark, Commission Regulation (EC) No 2868/95 of 13 December 1995 on the implementation of the Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, Directive 2004/48 / EC of the European Parliament and of the Council of 29 April 2004	Compatible



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
			on the enforcement of intellectual property. The trademark holder, Customs authority or police may undertake actions against counterfeit goods or infringement against trademark holders	
28.	Authenticity logo for online sale of medicines, Commission Implementing Regulation (EU) No 699/2014, Directive 2011/62/EU	Not regulated. The national legislation of the Republic of Moldova does not introduce a common logo for legally operating online pharmacies and retailers as one of the measures to fight against falsified medicines. This measure improves the consumer protection for cross-border eCommerce of medicines.		
29.	Transparency of cross-border tariffs for parcels, Regulation (EU) 2018/644, Directive 97/67/EC Art 12	LAW on postal communications no.36, of 17.03.2016, Civil Code, Chapter II PRE-CONTRACTUAL OBLIGATIONS Section 2 Information obligations in some contracts concluded with consumers	Article 4. Regulatory authority i) require that the universal postal service provider supply information on the costs of the universal postal service provision. According to art. 12 of Law no. 36/2016, According to the provisions of the same law, the universal postal service provider has the obligation to present to ANRCETI the draft tariffs for services in the field of universal postal service, tariffs that will be calculated according to the tariff setting methodology, normative act approved by ANRCETI Board of Directors. its decision no. 25 from 29.09.2016. The tariffs are approved by ANRCETI in a transparent and public manner and will be brought to the public's notice at least 30 days before the date on which they enter into force.	Compatible
Legal framework related to the Universal Postal Union				
30.	Provided services by the national designated postal operator, UPU Convention Manual, Art 1.14 and 17	LAW on postal communications no.36 of 17.03.2016	Article 22. Postal services within the scope of universal postal service. Article 26. Basic postal services.	Compatible
31.	Postal security requirements for the provision of electronic advance data, UPU Convention Manual, Article 8.1	UNDER UPU ACTS LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol	The national designated postal operator, Posta Moldovei, sends information to the customs authorities about the sender, contents and value with parcel-post items by means of a paper form, uses the Customs Declaration System (CDS), created by the UPU's Postal Technology Centre, that helps streamline customs clearance by allowing participating posts and customs authorities to exchange advance data, exchanges advance data about parcel-post items with the other authorities of the country (sanitary, phytosanitary, quality standards, IPR) via electronic data interchange messaging or by means of paper forms.	Partially compatible. The exchange of advance data with the customs authorities of the country is not in electronic data interchange (EDI) messaging format.



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
32.	Security measures for cargo or mail that fly from / to the country outside the EU into the EU	GOVERNMENT DECISION No. 1034, from 16-10-2000, on the approval of the National Air Transport Facilitation Program	CHAPTER V. ENTRY AND EXIT OF CARGO AND OTHER ARTICLES. Art 149. The competent public authorities will ensure the processing of the cargo according to the provisions of the national and international legislation, and in the cases provided by these normative acts, they will apply the simplified processing of the cargo.	Not contradicting. The national legislation does not explicitly indicate that all cargo and mail carried to the EU/fly from the EU is physically screened or comes from a secure supply chain.

Security of networks and information systems

The national legislation (laws, decrees, regulations) related to security of networks and information systems:

- Law no. 91/2014 on electronic signature and electronic document (Official Gazette of the Republic of Moldova no. 174-177 art. 397 of 04.07.2014)91/2014;
- Law no. 241/2007 of electronic communications (Republished: Official Gazette no. 394-410 art. 679 of 17.11.2017) 241/2007;
- Law no. 71/2007 on registers (Official Gazette of the Republic of Moldova no. 174-177 art. 397 of 04.07.2014) 71/2007;
- Law no. 231/2006 on the identification and registration of animals (Republished: Official Gazette of the Republic of Moldova no.399-404 art.806 of 18.11.2016) 231/2006;
- Law no. 467/2003 on computerization and state information resources (Official Gazette of the Republic of Moldova no. 6-12 art. 44 of 01.01.2004) 467/2003.

Table 10: Moldova: legislation gaps comparing to the EU eCommerce baseline – security of networks and information systems

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
33.	Security requirements and incident notification, Directive (EU) 2016/1148 Art 16	LAW No. 241, from 15-11-2007, on electronic communications	Chapter III, ELECTRONIC COMMUNICATIONS NETWORKS AND SERVICES. Art. 19. (2) The providers of public electronic communications networks and / or services have the obligation to ensure: e) undertaking the appropriate technical and organizational actions in order to ensure the security of services and the protection of users' personal data. Art (2) This law regulates the activity in the field of civil electronic communications of all providers of electronic communications networks and / or services.	Partially compatible. The legislation does not mention that the digital service providers are required to notify the competent authority without undue delay of any incident having a substantial impact on the provision of a service. The legislation does not require that the competent national authority may inform the public about individual incidents or require the digital service provider to do so, where public awareness is necessary in order to prevent



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
				an incident or to deal with an ongoing incident, or where disclosure of the incident is otherwise in the public interest.
34.	Jurisdiction and territoriality of digital service providers, Directive (EU) 2016/1148 Art 18	Not regulated. The legislation of the Republic of Moldova does not require from a digital service provider that is not established in the country, but offering services of Online marketplace, Online search engine, or Cloud computing within the country, to designate a legal representative in the country. These measure with a view to achieving a high common level of security of network and information systems within the cross-border eCommerce so as to improve the functioning of the market.		

Geo-blocking

Table 11: Moldova: legislation gaps comparing to the EU eCommerce baseline – geo-blocking

No	Reference to the EU baseline	Gaps comparing to the EU baseline / Challenges
35.	Unjustified blocking or limiting a customer's access to the trader's online interface, Regulation (EU) 2018/302 Art 3	Not regulated. The legislation does not require that a trader shall not, through the use of technological measures or otherwise, block or limit a customer's access to the trader's online interface, or shall not apply different general conditions of access to goods or services for reasons related to the customer's nationality, place of residence or place of establishment.

Data protection

The national legislation (laws, decrees, regulations) related to data protection:

- The Constitution of the Republic of Moldova;
- The Civil Code of the Republic of Moldova;
- Administrative code no. 116/2018;
- Law no. 17-XIV of 15 February 2007 on the protection of personal data (repealed from 14 April 2012);
- Law no. 133 of July 8, 2011 on the protection of personal data;
- Version of Law no. 133 of July 8, 2011 on the protection of personal data;
- Law no. 182 of July 10, 2008 on the approval of the Regulation of the National Center for Personal Data Protection, the structure, the number of staff and the way of financing the National Center for Personal Data Protection;
- Law no. 110 of 9 June 2011 on the ratification of the Additional Protocol to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data, concerning supervisory authorities and the cross-border flow of data;
- Law no. 208 of October 21, 2011 for the amendment and completion of some legislative acts;
- Law no. 229 of October 10, 2013 for the approval of the National Strategy in the field of personal data protection for the years 2013-2018 and of the Action Plan regarding its implementation;



- Law no. 271 of November 7, 2013 on the formulation of declarations of the Republic of Moldova to the Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data;
- Law no. 158-XVI of 04.07.2008 regarding the civil service and the status of the civil servant;
- Law no. 982-XIV of 11 May 2000 on access to information;
- Law no. 71-XVI of March 22, 2007 regarding the registers;
- Law on electronic communications no. 241-XVI of 15.11.2007;
- Law no. 467-XV of 21.11.2003 on computerization and state information resources;
- Law no. 142 of 19.07.2018 on data exchange and interoperability;
- Law no. 64 of 23.04.2010 on freedom of expression;
- Law no. 91 of 29.05.2014 regarding the electronic signature and the electronic document;
- Integrity Law no. 82 from 25.05.2017;
- Law no. 270 of 23.11.2018 regarding the unitary salary system in the budgetary sector;
- Decisions of the Parliament;
- Government decisions.

Table 12: Moldova: legislation gaps comparing to the EU eCommerce baseline – data protection

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
36.	Transfers of personal data to third countries or international organisations, Regulation (EU) 2016/679 Art 44, 46	Law on personal data protection nr. 133/2011	Chapter VII - CROSS - BORDER TRANSMISSION OF CHARACTER DATA / PERSONAL Article 32. Cross-border transmission of personal data. (3) The cross-border transmission of personal data which are processed or to be processed after transmission may take place only with the authorization of the Center, in the manner established by law, and only if the State of destination ensures an adequate level. protection of the rights of subjects of personal data and data intended for transmission. (4) The level of protection shall be determined by the Center.	Compatible

Electronic contracts

Table 13: Moldova: legislation gaps comparing to the EU eCommerce baseline – electronic contracts

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
37.	Free movement of information society services, Directive 2000/31/EC Art 3	Law no. 284/2004 on electronic commerce Article 5. Basic principles of electronic commerce - para. 5, para. 7	Article 5. Basic principles of electronic commerce. Alin. (5) The provision of information society services by a service provider established in another state may not be restricted in the Republic of Moldova if the provider complies with the provisions of national law.	Compatible



38.	Liability of intermediary service providers, Directive 2000/31/EC Art 9-11	Law no. 284/2004 on electronic commerce Chapter III Liability of service providers Article 15. Intermediation by simple transmission Alin. (1), paragraph (3)	Chapter III Liability of service providers. Article 15. Intermediation by simple transmission.	Partially compatible. The national legislation only stipulates one type of intermediation by simple transmission. Other types are not included (hosting, cashing, etc).
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Electronic payments

The national legislation related to electronic payments:

- CODE No. 1107, from 06-06-2002, the Civil Code of the Republic of Moldova;
- LAW No. 114, from 18.05.2012, on payment services and electronic money;
- LAW No. 284, from 22.07.2004, on e-commerce;
- NATIONAL BANK OF MOLDOVA, EXECUTIVE BOARD, DECISION No. 180 of 27 June 2019, (in force from 12.08.2019), on the fees applied to payment transactions made with a payment card or by a similar device, on fees charged by the payment service providers for payment transactions involving utilization of the automated interbank payment system and fees collected by the National Bank of Moldova for payments processed in the automated interbank payment system.

Table 14: Moldova: legislation gaps comparing to the EU eCommerce baseline – electronic payments

No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
39.	Integrated market for electronic payments, Directive (EU) 2015/2366 Title I and II	Partially, LAW No. 114, from 18.05.2012, on payment services and electronic money	Chapter I, GENERAL PROVISIONS. Article 1. Object and purpose of the law. (2) The purpose of this law is to establish a uniform legal framework for the promotion of efficient and competitive activity in the market for the provision of payment services, issuance and redemption of electronic money and for the protection of the rights and legitimate interests of payment service users and of electronic money holders.	Compatible
40.	Strict security requirements for electronic payments, Directive (EU) 2015/2366 Art 94-96	LAW No. 114, from 18.05.2012, on payment services and electronic money	Article 321. Operational and security risk management. Article 322. Incident reporting.	Compatible
41.	Transparency and information requirement, Directive (EU) 2015/2366 Title III	LAW No. 114, from 18.05.2012, on payment services and electronic money, Chapter IV, Transparency of conditions and requirements, information on payment services	Section 1. General provisions. Article 33. Scope 1. The provisions of this Chapter shall apply to single payment transactions, framework contracts and payment transactions provided for by them if the payment service user is a consumer.	Compatible



No	Reference to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
42.	Rights and obligations for providers of payment services, Directive (EU) 2015/2366 Title IV	LAW No. 114, from 18.05.2012, on payment services and electronic money	Chapter I GENERAL PROVISIONS. (2) The purpose of this law is to establish a uniform legal framework for the promotion of efficient and competitive activity in the market for the provision of payment services, issuance and redemption of electronic money and for the protection of the rights and legitimate interests of payment service users of electronic money holders.	Compatible
43.	Reduced liability for unauthorised payment transactions, Directive (EU) 2015/2366 Art 74	LAW No. 114, from 18.05.2012, on payment services and electronic money	Article 58. Liability of the payer for unauthorized payment transactions. The liability is applied only when the unauthorised payment transaction was because of the payer's failure to ensure the due safety. Up to a maximum liability of 2500 MDL (~125 EUR).	Compatible
44.	Unconditional refund right, Directive (EU) 2015/2366 Art 73	LAW No. 114, from 18.05.2012, on payment services and electronic money	Article 56. Notification of unauthorized payment transactions and the liability of the payment service provider for unauthorized payment transactions. (2) In case of an unauthorized payment transaction, the payment service provider of the payer shall immediately reimburse to the payer the amount related to the unauthorized payment transaction.	Compatible
45.	Removal of surcharges for the use of credit cards and debit cards, Regulation (EU) 2015/751	LAW No. 114, from 18.05.2012, on payment services and electronic money	Article 50. Commissions. / [Art.50 para. (7) introduced by LP208 of 12.10.18, MO430-439 / 23.11.18 art.672; in force 23.12.18]. (7) The fees charged by payment service providers for payment transactions involving the use of the automated interbank payment system shall not exceed the level of fees set out in the normative acts of the National Bank.	Compatible
46.	Development of regulatory technical standards on strong customer authentication and secure communication channels, Directive (EU) 2015/2366 Art 5, 15, 28, 29, 95	The policy for supervising the payment system in the Republic of Moldova, approved by HCE of the NBM no. 299 of 27.10.2016	Payment system supervision policy in the Republic of Moldova. Chapter I. General provisions. 1. In accordance with Law no. 548-XIII of July 21, 1995 on the National Bank of Moldova and the Law on payment services and electronic money no. 114 of 18.05.2012, the supervision of the payment system in the Republic of Moldova is one of the basic attributions of the National Bank (NBM).	Partially compatible. There is no explicit mention that the regulatory authority of the country (which authority) is responsible to develop technical standards on strong customer authentication and secure communication channels with which all payment service providers must comply.

Platforms

The national legislation related to online platforms: no online intermediation services are foreseen at the moment by the national legislation of the Republic of Moldova.



Table 15: Moldova: legislation gaps comparing to the EU eCommerce baseline – platforms

No	Ref to the EU baseline	National legal act	Provision in national legislation	Gaps comparing to the EU baseline / Challenges
47.	Terms and conditions of providers of online intermediation services, Regulation (EU) 2019/1150 Art 3	Not regulated.	The national legislation does not establish the requirements to the terms and conditions of providers of online intermediation services. This measure ensures that business users of online intermediation services and corporate website users in relation to online search engines are granted appropriate transparency, fairness and effective redress possibilities.	
48.	Restriction, suspension and termination of online intermediation services, Regulation (EU) 2019/1150 Art 4	Not regulated.	The legislation does not stipulate that where a provider of online intermediation services decides to restrict or suspend the provision of its online intermediation services to a given business user, it shall provide the business user concerned, prior to or at the time of the restriction or suspension taking effect, with a statement of reasons for that decision on a durable medium. This measure better protects fairness among national and international traders.	
49.	Ranking in online intermediation services, Regulation (EU) 2019/1150 Art 5	Not regulated.	It is not required that providers of online intermediation services shall set out in their terms and conditions the main parameters determining ranking and the reasons for the relative importance of those main parameters as opposed to other parameters on the online search engines of those providers.	
50.	Differentiated treatment in relation to goods or services offered to consumers through online intermediation services, Regulation (EU) 2019/1150 Art 7	Not regulated.	The national legislation does not require that providers of online intermediation services shall include in their terms and conditions a description of any differentiated treatment which they give, or might give, in relation to goods or services offered to consumers through those online intermediation services. This measure better protects fairness among national and international traders on marketplaces.	
51.	Specific contractual terms, Regulation (EU) 2019/1150 Art 8	Not regulated.	The legislation does not require that providers of online intermediation services shall include specific contractual terms in order to ensure that contractual relations between providers of online intermediation services and business users are conducted in good faith and based on fair dealing.	
52.	Access to data, Regulation (EU) 2019/1150 Art 9	Not regulated.	The legislation does not require that the providers of online intermediation services shall include in their terms and conditions a description of the technical and contractual access, or absence thereof, of business users to any personal data or other data, or both, which business users or consumers provide for the use of the online intermediation services concerned.	
53.	Internal complaint handling system, Regulation (EU) 2019/1150 Art 11	Not regulated.	It is not required that the providers of online intermediation services shall provide an internal system for handling the complaints of business users. This measure would significantly improve disputes resolution mechanisms for national and cross-border traders.	



4.3 Gap analysis in standards area

The table below provides an overview of the identified gaps in standards area in Moldova comparing to the state of play in the EU. The table follows the structure of eCommerce standards section as presented in the [EU baseline](#) and covers the following areas:

- Quality of standards
- Interoperability
- Digital Postal Services
- Physical process and associated data
- Stakeholders and Information Exchanges based on UN/EDIFACT
- Stakeholder and Information Exchanges based on the EU customs model
- UPU electronic exchange standards
- UPU technical standards
- EU eCommerce websites trust marks
- eCommerce and product safety
- Terms and Definitions

The table is summarised in the section *4.4. Summary of gap analysis*.

4.3.1 Country profile

National standardisation landscape

The Institute of Standardization of Moldova (ISM) is a public institution, subordinated to the Ministry of Economy and aims to achieve the national policy in the field of standardization, in accordance with the provisions of Law no. 20 of 04.03.2016 on national standardization. The organization and functioning of ISM are regulated by the Regulation on the organization and functioning of the Standardization Institute of Moldova, approved by Government Decision no. 996 of December 27, 2012 on some measures to reform the system.

Status of the approximation to the EU framework of standards

The postal communications are regulated by the Law No. 36, from 17-03-2016, on postal communications, which transposes the Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services.

The quality of postal services are governed by the Government Decision No. 1226, from 09-11-2016, on quality standards for universal postal service, which transposes Articles 16 and 17 and the Annex to Directive 97/67 / EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service, published in the Official Journal of the European Communities L 15 of 21 January 1998.

The interoperability is governed by the Law No.142, of 19.07.2018, on data exchange and interoperability.

The Rules for the provision of postal services are defined by the Government Decision for the approval of the Rules on the provision of postal services no. 1457 of 30.12.2016 Official Gazette no. 24-29 / 46 of 27.01.2017 * * * Pursuant to art.8 and art.40 paragraph (4) of the Law on postal communications no.36 of 17 March 2016 (Official Gazette of the Republic of Moldova, 2016, no.114-122, art.225) and in order to regulate the manner of provision of postal services and relations between users and providers of postal services, developed in accordance with the Law on Postal Communications No. 36 of March 17, 2016, the Convention of the Universal Postal Union, the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed in Montreal



on May 28, 1999, the Convention on the International Carriage of Goods by Road, signed in Geneva on May 19, 1956, and with other international treaties to which the Republic of Moldova is a party.

The Law on postal communications, which transposes the Directive 97/67/EC with regard to the full accomplishment of the internal market of Community postal services, has several national standards, falling under its incidence.

The ratification of the UPU agreement was done by Government Decision for the approval of the draft law on ratification General Regulations of the Universal Postal Union, drawn up in Doha on 11 October 2012, no. 120 from 16.02.2016.

Also, the authorities of the Republic of Moldova ratified the Additional Protocols to the Universal Postal Convention by the adoption of certain laws.

4.3.2 Analysis of standards

Table 16: Moldova: standards gaps comparing to the EU eCommerce baseline – quality of standards

No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
Quality of services				
1.	Measurement of the transit time of end-to-end services for single piece priority mail and first-class mail, CEN/EN13850	LAW No. 36, from 17-03-2016, postal communications	Transposed into the national standard SM EN ISO 13850: 2016.	Compliant
2.	Complaints handling principles, CEN/TS14012	Transposed into SM EN 14012: 2020	Postal services. Services quality. Instructions for handling complaints.	Compliant
3.	Damage to postal items, CEN/TR 16915:2015	Transposed into SM CEN / TR 16915: 2017	Postal services. Quality of service. Damage to postal parcels.	Compliant
4.	Method for measurement of parcel transit time for cross-border parcels, CEN/TS 15472:2016	Transposed into SM CEN / TS 15472: 2016	Postal services. Method of measuring the transit time of parcels from abroad within the European Union and the European Free Trade Association with the help of tracking and identification.	Compliant
5.	Re-forwarding, CEN/TR 16894	Transposed into SM CEN / TR 16894: 2017	Postal services. Quality of delivery: Redistribution.	Compliant
6.	Distance to postal services access points, CEN/TR 15735:2008	Transposed into SM CEN / TR 15735: 2017	Postal services. Quality of service. Distance to access points.	Compliant



No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
7.	Information available on postal services, CEN/TS15511:2008	Transposed into SM CEN / TS 15511: 2017	Postal services. Quality of service. Information accessible through postal services.	Compliant
8.	Measurement of loss and substantial delay in priority and first-class single piece mail using a survey of test letters, CEN/TS 14773:2004	Transposed into SM CEN / TS 14773: 2017	Postal services. Quality of service. Measuring substantial losses and delays of a priority and first-class correspondence e-mail through studies using test letters.	Compliant
Interoperability				
9.	Requirements for private letter boxes, CEN/EN 13724:2013	Transposed into SM EN 13724: 2013 / AC: 2016	Postal services. Inbox windows of private mailboxes and mailboxes. Prescriptions and test methods.	Compliant
10.	Technical features of parcel boxes for end use, CEN/TS16819: 2015	Transposed into SM CEN / TS 16819: 2017	Postal services. Boxes for end-use packages. Technical specifications.	Compliant
11.	International postal address harmonisation, EN ISO 19160-4:2017	Transposed into SM EN ISO 19160-4: 2018	Addressing. Part 4: International components of postal addresses and language model.	Compliant
12.	Framework for secure, trustworthy and user-friendly opening systems for parcel boxes for home use, CEN/TS 17457	The National Postal Operator (Posta Moldovei) has a Post Terminals system in the municipalities of Chisinau (capital) and Balti (city in the North) for a small fee (10 MDL per service; ~0.5 EUR).	Not regulated. The national standards framework does not provide technical specifications for unattended delivery solutions (parcel locker systems/ parcel boxes) for home use with free access for the delivery and collection operators. The CEN/TS 17457 standard is not transposed yet. This limits options for final delivery of national and cross-border parcels.	
13.	Requirements for electronic advanced data (EAD) in postal operations, CEN/TR 17535	Not regulated. The national standards framework does not define requirements for electronic advance data submission in domestic or international postal operations (for all commercial items sent to consumers) as a pre-requisite for digital customs or transport security related declaration (data formats must comply with the EU VAT eCommerce package requirements). The governmental authority responsible for postal matters should prepare requirements for electronic advanced data in postal operations regarding commercial items which will be a pre-requisite for any digital customs or transport security related declaration sent to EU authorities prior to any border crossing into the EU (Measure will be applied by the EU in 2021). This can obstruct cross-border eCommerce flow with the EU from July 2021.		



No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
14.	Properties for packaging of boxable items, CEN/TS 17523	Government Decision No. 1457, from 30-12-2016, for the approval of the Rules on the provision of postal services	13. General packaging conditions. 1) In order to be accepted in the postal network of the universal postal service provider, postal items must meet the following packaging conditions.	Compliant
Digital Postal Services				
15..	Requirements for electronic advanced data (EAD) in postal operations, in particular compliant to security and customs requirements, CEN/TR 17536	There are some provisions on the information placed on the postal items in the Government Decision No. 1457, from 30-12-2016, for the approval of the Rules on the provision of postal services. The CEN/TC331 standard is not transposed into the national legislation.	Not regulated. The national standards framework does not define semantic mapping description of information on the characteristics or attributes of commercial single items compliant to the UPU-WCO customs model. The country should start preparing requirements for electronic advanced data in postal operations (for all commercial items sent to consumers up to 31,5 KG) which will be a prerequisite for any digital customs or transport security related declaration sent to EU authorities prior to any border crossing into the EU (Measure will be applied by the EU in 2021). This can obstruct cross-border eCommerce flow with the EU from July 2021.	
Physical process and associated data				
16.	Interfaces for cross border parcels, CEN/TS17073: 2020	Transposed into SM CEN / TS 17073: 2018	Postal services. Interfaces for sending cross-border parcels.	Compliant
Stakeholders and Information Exchanges based on UN/EDIFACT				
17.	UN / EDIFACT Exchange Specification, CEN/TR 17536, Regulation (EU) No 952/2013	The Standard is not transposed into the national legislation and there's almost no transport of eCommerce items from the country into the EU. None of the national eCommerce operators is selling to the EU at the moment.	Not regulated. The national courier, express, parcel operators and customs agents that transport eCommerce items from the country into the EU should prepare the necessary electronic data lodging of digital customs pre-declarations on item level that will become mandatory from 1 July 2021 for items below a value of 150 EUR (i.e. Low Value Consignments) sent from third countries into the EU. This can obstruct cross-border eCommerce flow with the EU from July 2021.	
Stakeholder and Information Exchanges based on the EU customs model				



No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
18.	Information Exchanges based on the EU customs model, Regulation (EU) No 952/2013, CEN/TR 17536	LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol	The national Designated postal Operator has the necessary specifications, procedures, IT systems for electronic data lodging of digital customs pre-declarations on item level according to the EU electronic advanced data customs model.	Partially compliant. The Customs Service didn't implement yet the Customs Declaration System (CDS) module into the ASYCUDA system (because of the lack of funds), which is necessary for full operations.
UPU electronic exchange standards				
19.	Electronic Data Interchange between postal handling organisations, UPU M30	LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol	UPU electronic exchange standards / UPU M30, Electronic exchange standards – Electronic Data Interchange between postal handling organisations. The Designated Operator has established the necessary electronic data interchange interfaces to third party data applications, including the EU authorities, postal handling organisations and authorised economic operators in the EU member states. The only constrain is that the Customs Service didn't implement yet the CDS module into ASYCUDA, which is necessary for full operations.	Compliant
20.	ITMATT V1 – Electronic communication of item information, UPU M33	M33-12 ITMATT V1 UPU TECHNICAL STANDARD STANDARD art. 08-002 Regulations to the Convention LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol		Implemented
21.	CARDIT/RESBIT – Data flow version 2, M39	M48-6 CARDIT 2.1 UPU TECHNICAL STANDARD LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol		Implemented
22.	EMSEVT V3. Item level tracking information – Tracking events and associated data elements, M17	M40-7 EMSEVT 3.0 UPU TECHNICAL STANDARD LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol		Implemented
23.	EDI Messaging Standards – PREDES, M41	M41-7 PREDES 2.1 UPU TECHNICAL STANDARD LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol		Implemented



No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
24.	CUSITM V1 Customs Item pre-advice message to Customs, UPU M43	Not Implemented. The postal operators' information systems do not apply CUSITM postal EDI messaging standard through which a postal operator can send mail item detailed information to its local customs authority / border agency. CUSITM (CUSToms ITeM) is a message that covers the electronic representation of existing UPU paper forms CN 22/CN 23 and CP 72, agreed standards between the UPU and the WCO (the World Customs Organization), plus additional attributes. This obstructs timely processing of data of cross-border eCommerce flow with the EU.		
25.	CUSRSP Customs Response, M44	Not Implemented. The customs authority information systems do not apply CUSRSP EDI messaging standard through which a customs authority/border agency can send information to a postal operator regarding mail items. CUSRSP (CUSToms ReSPonse) is a message for a customs organisation to transmit mail item information to the local designated postal operator, usually in response to a CUSITM message. Both parties must agree on the exact usage of the message. The intended business benefit for both parties is to automate and therefore speed up the customs process. This obstructs timely processing of data of cross-border eCommerce flow with the EU.		
26.	ITMREF V1 – Item referral, UPU M53	Not Implemented. The postal operators' information systems do not use ITMREF EDI messaging standard which supports the communication from the destination postal operator to the origin postal operator of information on the pre-loading advance cargo information (PLACI) risk assessment. This obstructs timely processing of data to assure a required level of security for cross-border eCommerce flow with the EU.		
27.	REFRSP V1 – Referral response message specification, UPU M54	Not Implemented. The postal operators' information systems do not use REFRSP EDI messaging standard which supports the communication from the origin postal operator to the destination postal operator of information on action taken and/or information required subsequent a request following the risk assessment carried out by the destination customs authority of pre-loading advance cargo information or destination postal operator assessment of ITMATT data. This obstructs timely processing of data of cross-border eCommerce flow with the EU.		
UPU technical standards				
28.	Identification of postal items – 13-character identifier, UPU S10, ISO/IEC 15459-1:2014	S10-12 UPU TECHNICAL STANDARD STANDARD art 08-002 Regulations to the Convention LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol SM CEM / TS 17073: 2018: Postal services. Interfaces for sending cross-border parcels		Implemented
29.	Postal Consignments, UPU S32	S32-3 UPU TECHNICAL STANDARD LAW No. 44, of 22-03-2018 for the ratification of the Universal Postal Convention and its Final Protocol		Implemented
EU eCommerce websites trust marks				
30.	Trustmark ethical standards in the digital marketplace, The	Not regulated. There is no national eCommerce Trustmark certification scheme(s) which authenticates that an eCommerce company established on the national territory has made a commitment to work in compliance with the national (or regional, Ecommerce Europe or other) Code of Conduct, guaranteeing ethical standards in the digital marketplace. An eCommerce Trustmark shows that the online		



No	Reference to the EU baseline	National standard	Key aspects	Gaps comparing to the EU baseline / Challenges for cross-border eCommerce
	European Regulation No 524/2013	shop is certified by the national eCommerce association or has made a commitment to work in compliance with the international Code of Conduct. This obstructs building trust of domestic and the EU consumers to buy on Moldovan eCommerce websites and marketplaces.		
eCommerce and product safety				
31.	CE marking, Blue Guide - Comprehensive guidance on the implementation of EU product rules	Law no. 235/2011 on accreditation and conformity assessment activities	The independent mechanism for assessing conformity and affixing the CE marking, as well as the national conformity marking MS is established in Articles 23-24 and Articles 25-31 of Law no. 235/2011 on accreditation and conformity assessment activities. The law represents the horizontal legal framework, which is harmonized with Decision No. 788/2008 / EC of the European Parliament and of the Council on a common framework for the marketing of products, so it is in line with the practices presented in the Blue Guide (2016 edition). At the same time, Community legislation harmonizing the conditions for the marketing of products (EU New Approach Directives) are transposed by national technical regulations, approved by Government decisions.	Compliant
Terms and Definitions				
32.	Terms and Definitions, Regulation 2018/644	Law on postal communications nr 36, of 2016 (art. 2) Regulations on the provision of postal services (art. 2)	The national terms and definitions are aligned to the following terms and definitions stipulated by the EU legislation: Postal Item, Postal Service, Postal Service Provider, Parcel Delivery Service Provider.	Partially compliant. The following definitions are not aligned: Universal Service Provider, Parcel, Parcel Delivery Service.

4.4 Summary of gap analysis

The table below provides an overview of the identified gaps in Moldova comparing to the state of play in the EU. The gaps are mapped to the eCommerce value chain to have an overview of the areas that have to be addressed the most in order to provide recommendations to harmonise eCommerce state of play between the EU and Moldova.

The summary of the gaps is mostly focused to identify gaps between Moldova and the EU. Addressing these gaps will help to eliminate the barriers for cross-border eCommerce between EU and the Republic of Moldova. In addition, once the state of play in the Eastern partner countries (including Moldova) is harmonised with the EU, it will facilitate eCommerce transactions among the Eastern partner countries as well.



- Several gaps identified
- Multiple gaps identified
- No gaps identified

The identified gaps have different degree of impact on the cross-border eCommerce between the country and the EU. Several aspects are critical for eCommerce flow. These gaps are important to reduce in order to boost eCommerce. Other gaps serve to improve the local conditions of eCommerce market. They indicate the areas of suitable harmonisation of practices between the country and the EU. In the following section, the identified gaps are classified in two categories according to their priority:

- Aspects critical for boosting cross-border eCommerce between the country and the EU
- Aspects harmonising the difference between the EU and the country's practices in eCommerce

Table 17: Moldova: overview of three gap areas mapped to the eCommerce value chain

Value chain	Ecosystem	Legal	Standards
Marketing Sales	<p>Q1. Availability of the global marketplaces is similar as in the EU. <i>Challenge</i>: global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; workarounds created by buyers to reach marketplaces.</p> <p>Q2. Usage of the global marketplaces is limited due to limited number of goods available for delivery. <i>Additional challenge</i>: buyers have to be aware of intermediary services.</p> <p>Q3. Local marketplaces selling cross-border are not common. <i>Challenge</i>: slower and more expensive logistics doesn't meet expectations of the EU ecosystem.</p> <p>Q4. Localisation and personalisation of local marketplaces are not common as English and EUR currency are not common on marketplaces.</p>	<p>Q3. Recourse to the codes of conduct is not regulated.</p> <p>Q7. Formal requirements for confirmation of the distance contracts are partially compatible as it is not specified for online means of distance contracting.</p> <p>Q13. Misleading commercial practices of paid advertisement are not regulated.</p> <p>Q14. Misleading omissions for products offered on online marketplaces is partially compatible as it doesn't specify what is an online marketplace.</p> <p>Q15. Information requirements for distance contracts of digital content and digital service are partially compatible as digital service supplied by trader to consumer is not specified.</p> <p>Q16. Information requirements for distance contracts when price was personalised on the basis of automated decision-making are not regulated.</p> <p>Q17. Fake price reductions are not regulated.</p> <p>Q18. Misleading omissions about consumer reviews of products are not regulated.</p> <p>Q28. Authenticity logo for online sale of medicines is not regulated.</p>	<p>S30. Trustmark ethical standards in the digital marketplace are not regulated.</p>



Value chain	Ecosystem	Legal	Standards
		<p>Q35. Unjustified blocking or limiting a customer's access to the trader's online interface is not regulated.</p> <p>Q48. Restriction, suspension and termination of online intermediation services are not regulated.</p> <p>Q49. Ranking in online intermediation services is not regulated.</p> <p>Q50. Differentiated treatment in relation to goods or services offered to consumers through online intermediation services is not regulated</p>	
Payment	<p>Q5. Payment methods usage is different than in the EU due to preference of cash-on-delivery payment method; rare usage of global digital wallets with preference of local solutions. <i>Additional challenge:</i> authorities and businesses face challenges to control and report transactions from digital wallets (e.g. PayPal).</p> <p>Q6. Payments gateways usage is limited as global secure, trusted and transparent payment gateways are not common. Local solutions are preferred.</p>	<p>Q46. Development of regulatory technical standards on strong customer authentication and secure communication channels is partially compatible as responsible authority is not specified.</p> <p>Q51. Specific contractual terms between providers of online intermediation services and business users are not regulated.</p>	
Placing order	-	-	-



Value chain	Ecosystem	Legal	Standards
Parcel Delivery	<p>Q8. Post delivery is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; the same or the next day delivery (within 48 hours) as in the EU is not common.</p> <p>Q9. Availability of international logistics operators is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery limiting involvement in eCommerce ecosystem.</p> <p>Q10. Parcel delivery network is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery limiting involvement in eCommerce ecosystem.</p> <p>Q12. Delivery time is few days longer than in the EU, where same delivery is common.</p>	<p>Q31. Postal security requirements for the provision of electronic advance data are partially compatible as exchanged data is not in electronic data interchange (EDI) messaging format.</p>	<p>Q12. Framework for secure, trustworthy and user-friendly opening systems for parcel boxes for home use (Interoperability) is not regulated.</p> <p>Q13. Requirements for electronic advanced data (EAD) in postal operations (Interoperability) is not regulated.</p> <p>Q15. Requirements for electronic advanced data (EAD) in postal operations, in particular compliant to security and customs requirements are not regulated.</p> <p>Q24. CUSITM V1 Customs Item pre-advise message to Customs is not implemented.</p> <p>Q25. CUSRSP Customs Response is not implemented.</p> <p>Q26. ITMREF V1 – Item referral is not implemented.</p> <p>Q27. REFRSP V1 – Referral response message specification is not implemented.</p>
Customer service	<p>Q17. Return delivery is similar as in the EU. However, clear customer protection aspects have to be introduced, such as customer rights to return goods with no reason in 14 days, reimbursement as soon as evidences of a return are provided. Also, presence of specialised return operators, as well as unattended delivery services, has to be improved.</p>	<p>Q22. Availability of procedures for the out-of-court resolution of domestic and cross-border disputes concerning contractual obligations (ADR) is partially compatible as not all types of ADR are specified.</p> <p>Q23. Availability of an online dispute resolution platform for consumer disputes (ADR) is not regulated.</p> <p>Q33. Security requirements and incident notification are partially compatible as it doesn't require to communicate incident to all parties.</p> <p>Q53. Internal complaint handling system is not regulated.</p>	



Value chain	Ecosystem	Legal	Standards
The EU 2021 eCommerce package	<p>Q7. The EU 2021 eCommerce package – IOSS: is not familiar to all involved stakeholders and no preparatory actions done.</p> <p>Q14. The EU 2021 changes – electronic declarations only: is not familiar to all involved stakeholders and only fragmented preparations are done.</p> <p>Q15. The EU 2021 changes – simplified customs procedures: is not familiar to all involved stakeholders and only fragmented preparations are done.</p> <p>Q16. The EU 2021 eCommerce package – no exceptions to pay VAT: is not familiar to all stakeholders and only fragmented preparations are done.</p> <p>Q18. Awareness of eCommerce package - cross-border parcel supply chain (including item-level tracking): is not familiar and not used by all involved stakeholders.</p>	<p>Q24. Customs declaration for all consignments of distance sales is not regulated.</p> <p>Q25. Special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries is not regulated.</p>	<p>Q17. UN / EDIFACT Exchange Specification is not regulated.</p> <p>Q18. Information Exchanges based on the EU customs model is partially compliant as not all required models are implemented in the system yet.</p>
Overall subjects		<p>Q20. Injunctions for the protection of consumers' interests are not regulated.</p> <p>Q34. Jurisdiction and territoriality of digital service providers is not regulated.</p> <p>Q38. Liability of intermediary service providers is partially compatible as it doesn't include all types of intermediations.</p> <p>Q47. Terms and conditions of providers of online intermediation services are not regulated.</p> <p>Q52. Access to data of business users or consumers provided for the use of the online intermediation services is not regulated.</p>	<p>S32. Terms and Definitions are not fully aligned.</p>

5 Recommendations report for the Republic of Moldova

EU4Digital Facility developed gap analysis of eCommerce state of play in Moldova after comparing it to [the EU baseline](#). Based on the identified gaps, the EU4Digital Facility developed 13 recommendations to eliminate the barriers for cross-border eCommerce between EU and the Republic of Moldova. These



recommendations are presented starting from the overall eCommerce ecosystem aimed to boost eCommerce transactions volume and following with recommendations in legal and standards areas, which are supportive measures to reach the goal.

Current work of the government of Moldova on a Roadmap for eCommerce development in the country (November 2020)³³ includes several actions related to improvement of the national legal framework, standards and overall eCommerce ecosystem. The key recommendations in this report may provide detailed input into following actions of the Roadmap:

- 9. Develop and promote amendments to personal data protection legislation;
- 11. Creating a national online eCommerce platform with the functionalities of integrating information about local producers - present in the virtual space, as well as with options for small producers for whom it is not feasible to develop their own online stores.
- 13. Strengthening consumer protection in the context of eCommerce;
- 17. Carrying out an analysis of the constraints and costs for individuals in making electronic payments and P2P transfers;
- 24. Identifying the constraints and applying the measures required for the development of competition in the segment of postal and courier communications, as an indispensable element of e-commerce and promotion of eExports;
- 26. Approval of a customs declaration with a reduced data set to be used for international postal items with an intrinsic value of below €1000 (both for the universal postal service provider designated as Posta Moldova and for postal service providers open to competition);
- 27. Development of SIIV “ASYCUDA World” and integration of SI modules of Moldova Post and express courier;
- 35. Direct negotiations with international and regional eCommerce platforms, such as Amazon, eMag, Rozetka, etc., to expand in the Republic of Moldova or to accept economic agents from the Republic of Moldova as suppliers.

5.1 Ecosystem recommendations to eliminate the barriers for cross-border eCommerce

Eight key recommendations for Moldova are presented below including specific actions to be considered on a national level. The recommendations and action points will support Moldova to eliminate the barriers for cross-border eCommerce (including preparation for the upcoming EU and global changes introduced in 2021) and boost cross-border eCommerce volume. The recommendations are based on the best EU and global practices.

Table 18: Moldova: Ecosystem recommendations to eliminate the barriers for cross-border eCommerce

Recommendation / Action	Specification
<p>1. Establish a virtual warehouse as a re-usable database for marketplaces in the EU to place Moldovan goods for sale in the EU market.</p> <p>Final goal: cross-border sales volume increases as businesses in Moldova list and manage inventory of goods for cross-border sale; and the Posta Moldovei is connected to the database to trigger cross-border delivery once sales happen to deliver within 72 hours.</p> <p>Gaps addressed:</p> <p>E1. Availability of the global marketplaces is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; workarounds created by buyers to reach marketplaces.</p>	

³³ eCommerce Roadmap: <https://eufordigital.eu/moldova-presents-roadmap-for-boosting-digitization-of-national-economy-and-development-of-e-commerce/>



Recommendation / Action	Specification
<p>E2. Usage of the global marketplaces is limited due to limited number of goods available for delivery. <i>Challenge:</i> buyers have to be aware of intermediary services.</p> <p>E3. Local marketplaces selling cross-border are not common. <i>Challenge:</i> slower and more expensive logistics doesn't meet expectations of the EU ecosystem.</p> <p>E4. Localisation and personalisation of local marketplaces are not common as English and EUR currency are not common on marketplaces.</p> <p>E8. Post-delivery is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; same day delivery as in the EU is not common.</p> <p>E12. Delivery time is few days longer than in the EU, where the same or the next day delivery is common (within 48 hours).</p> <p>E17. Return delivery is similar as in the EU. However, clear customer protection aspects have to be introduced, such as customer rights to return goods with no reason in 14 days, reimbursement as soon as evidences of a return are provided. Also, presence of specialised return operators, as well as unattended delivery services, has to be improved.</p>	
<p>1.1. Define a concept of a virtual warehouse for business in Moldova to list goods for cross-border sales and manage the inventory in real time</p>	<p>A national virtual warehouse can become a point for eCommerce ecosystem players in Moldova to complete cross-border transactions. Sellers list and manage the inventory of goods in the virtual warehouse (database). Cross-border transactions are enabled by connecting the EU marketplaces and the national postal operator to this virtual warehouse. The UPU already introduces software to connect eCommerce ecosystem players for cross-border transactions, which can be re-used.</p> <p>Possible steps:</p> <ol style="list-style-type: none"> 1. Develop concept and business case. 2. Validate the concept with the key involved stakeholders – businesses, the Posta Moldovei (including UPU's Postal Technology Centre³⁴), the Customs Service, several EU marketplaces and national postal operators – and agree on cooperation. 3. Prepare technical specifications for the virtual warehouse, including API connection, availability in English and displaying prices in EUR (currency converter based on the daily fixed rate provided by the European central bank for free and can be used).
<p>1.2. Initiate pilot programme enabled by the virtual warehouse to connect businesses in Moldova, postal operators and the EU marketplaces</p>	<p>Businesses in Moldova, postal operators and the EU marketplaces should be able to integrate through API to list real time inventory of goods on their interfaces. Once a sale is complete, they should notify through API the virtual warehouse. Then, the Posta Moldovei trigger cross-border delivery to ensure cross-border delivery within 72 hours, including picking up the goods, pre-filling customs declaration forms and creating labels and IDs (barcodes) that are in line with the UPU standards (UPU S10 / CEN/TS17073 for the track and traceable barcodes on the parcels; as well as the unique digital description of the goods in the parcel (e.g. HS codes for establishing the necessary electronic pre-declaration in advance) to be shared with the national postal operators/or private postal service providers (i.e. CEP operators) in the EU for the last mile delivery. It is recommended to make available the UPU standards (S10) and CEN/TS 17073 related systems of parcel identification for private parcel delivery operators and logistics services as well as Posta Moldovei (to enable both in parallel). Private parcel delivery operators, logistics services and the national postal operator should be able to use in parallel the UPU standards and CEN/TS 17073 related systems of parcel identification.</p>

³⁴ UPU's Postal Technology Centre (PTC) is the global technology provider for designated postal operators, just like Posta Moldovei. The PTC may provide the necessary IT support and systems to Posta Moldovei to a very large extend already today.



Recommendation / Action	Specification
	<p>Such cooperation schemes already used in projects in the EU and within the UPU network. Connection through API makes the concept a reusable database for marketplaces in the EU to place goods of Moldova for sale in the EU market.</p> <p>Possible steps:</p> <ol style="list-style-type: none"> 1. Knowledge transfer from similar projects in the EU and within the UPU network. 2. Define and complete preparatory actions to launch the pilot (e.g. planning, organisational set up, allocate budget). 3. Identify and sign cooperation agreements with interested businesses, postal operators to ensure support, cooperation and usage of the virtual warehouse. Support signing agreements with the EU marketplaces, including agreeing on the payment terms and conditions. 4. Ensure that the Posta Moldovei is technically capable to assign barcodes in line with the UPU standards (S10/TS17073 standard; HS-codes/GTIN) and share electronic advanced data within the UPU postal network. 5. Ensure that businesses are technically capable to assign Global Trade Item Number to listed goods to enable cross-border tracking, including the necessary HS Codes. 6. Introduce training programme for businesses (including the marketplaces in the EU) to use the warehouse. Share information and benefits among stakeholders regarding the virtual warehouse and its concept through the Chamber of Commerce in Moldova, Ecommerce Europe, European Business Associations, European Commission and other relevant parties. 7. Support marketplaces in the EU technically to connect to the virtual warehouse through the developed API. Ensure that the EU marketplaces support cross-border return operations. Consider involving and signing agreement with specialised return operators to enable cross-border returns. 8. Launch and monitor the pilot implementation, including setting up regular observation workshops involving the stakeholders. 9. Complete the pilot programme and define the required improvements (if needed). 10. Consider scaling up and implementing the tested solution with a broader scope.
<p>2. Establish national pavilion account(s) ("Best of Moldova") on the EU marketplace(s) allowing businesses in Moldova to list goods for cross-border sales, while reducing cost to enter the market and consolidating marketing efforts.</p> <p>Final goal: <i>cross-border sales volume increase as businesses in Moldova inquire to list goods for cross-border sale through a single national account and get support with marketing.</i></p> <p>Gaps addressed:</p> <p>E1. Availability of the global marketplaces is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; workarounds created by buyers to reach marketplaces.</p> <p>E2. Usage of the global marketplaces is limited due to limited number of goods available for delivery. <i>Additional challenge:</i> buyers have to be aware of intermediary services.</p> <p>E3. Local marketplaces selling cross-border are not common. <i>Challenge:</i> slower and more expensive logistics doesn't meet expectations of the EU ecosystem.</p>	



Recommendation / Action	Specification
<p>E4. Localisation and personalisation of local marketplaces are not common as English and EUR currency are not common on marketplaces.</p>	
<p>2.1. Identify cooperating parties in Moldova and the EU</p>	<p>Best practices: public bodies register a national account on cross-border marketplaces and invite local businesses to list goods under one account. This concept is called national pavilion of local brands. This practice exists in different countries and can complement bi-lateral governmental agreements subsidised by states. Examples: Lithuania, New Zealand, Austria, Hungary. Businesses benefit as they experience lower cost to enter cross-border markets and save on marketing efforts as one national account is being promoted instead of different national brands. Such national accounts also add trust and credibility.</p> <p>Possible steps:</p> <ol style="list-style-type: none"> 1. Define the budget and confirm funding sources (possibly based on trade related subsidies and beneficial treatment) for registration, operation and marketing at the cross-border marketplaces operating in the EU. 2. Identify responsible representatives in Moldova, such as the Chamber of Commerce of Moldova, to own a national account at the cross-border marketplaces operating in the EU. 3. Identify businesses in Moldova who are willing to sell cross-border through the concept of the national pavilion. 4. Identify the cross-border marketplaces operating in the EU who are willing to cooperate by allowing Moldova to be an intermediary by creating a national account and registering goods of local businesses for sale. 5. Identify payment provider that can act as an intermediary for processing payments from the owner of the account to businesses selling goods. 6. Facilitate signing agreements between the parties. It is recommended that services to the businesses in Moldova are funded by the authorities and provided free of charge for the businesses.
<p>2.2. Open a pilot national pavilion account on selected marketplace(s)</p>	<p>Possible steps:</p> <ol style="list-style-type: none"> 1. Register a pilot national pavilion account on selected marketplace(s). 2. Consult with the marketplaces selling in the EU and identify commercial items that have the best fit for the market creating good opportunities for sales. 3. Consult with the businesses in Moldova on inventory to be listed for sales. Agree on the fulfilment processes – e.g. businesses handle delivery themselves after sales notification, delivery is implemented by marketplaces if businesses decide to use their fulfilment infrastructure. 4. List goods to launch sales. Owner of the account should assign responsible contact person to operate the account on a daily basis. 5. Launch marketing campaign (e.g. "Best of Moldova") for the national pavilion account on the EU marketplace(s) 6. Launch and monitor the pilot implementation, including setting up regular observation workshops involving the stakeholders. 7. Complete the pilot programme and define the required improvements (if needed).



Recommendation / Action	Specification
	8. Consider scaling up and implementing the tested solution with a broader scope.
<p>3. Enhance capacity of the Posta Moldovei and private parcel service providers to deliver commercial items within 24 hours inside Moldova for cross-border transportation by establishing consolidated central distribution networks with centralised warehouses, fulfilment and sorting facilities.</p> <p>Final goal: <i>Posta Moldovei and parcel delivery operators use centralised networks for clearance, sorting and transportation of parcels to the cross-border hubs (office of exchange) to enable daily dispatch abroad. The aim is to reduce delivery time for domestic and cross-border delivery of commercial items.</i></p> <p>Gaps addressed:</p> <p>E8. Post delivery is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery; same day delivery as in the EU is not common.</p> <p>E12. Delivery time is few days longer than in the EU, where same delivery is common.</p>	
<p>3.1. Assess understanding of the benefits/best practices of centralised postal networks for clearance and delivery of commercial items to the cross-border hubs (office of exchange)</p>	<p>Although the Posta Moldovei uses two centralised warehouses for cross-border transportation, it is recommended to further support clearing process of postal points where items are received, sorted and transported to the centralised hubs. Decentralised network with active postal offices in all regions of the country is an old state of art, which is recommended to be updated according to the global UPU best practices. The network of post offices should be used for the clearance (i.e. collection) of postal items in general (in most cases on a per item basis). Commercial collection should happen until a given time to achieve timely transportation to the Office of exchange for sorting and handling for dispatch to a third country. This "closing time" shall be in line with time required to achieve up to 24 hours for dispatch to a third country postal territory. It is recommended to use the existing network of cross-border centralised warehouses as a basis to enable cross-border transportation.</p> <p>Possible steps:</p> <ol style="list-style-type: none"> 1. Consult stakeholders involving the Posta Moldovei, private parcel operators and logistics businesses by organising workshops for awareness and practice transfer of centralised postal infrastructure for domestic clearance according to the UPU requirements and practices of the EU countries. 2. Consult Posta Moldovei to explore actions and possibilities to centralise postal infrastructure to achieve a speedy clearing (including postal offices) in urban and rural areas, transporting consignments to parcel operations in central hubs (i.e. offices of exchange or OE).
<p>3.2. Consider clearance of certain postal offices that deliver items to the central hubs (offices of exchange) to establish efficient networks capable to dispatch abroad within 24 hours</p>	<p>Possible steps:</p> <ol style="list-style-type: none"> 1. Prepare the state-of-play and impact assessment and design of the future infrastructure and organisational (including processes) scheme with centralised postal infrastructure (warehouses, fulfilment and sorting facilities) for the clearance and sorting of commercial items (parcels); 2. Implement an action plan to collect parcels (including the usage of certain regional postal offices) to establish a highly efficient, centralised postal infrastructure as per the UPU and commercial requirements, in line with best practices in the EU.



Recommendation / Action	Specification
<p>4. Facilitate cooperation between the Posta Moldovei, private parcel delivery and logistics operators by establishing co-sharing agreements and the usage of unified parcel identifiers (such as outlined in standards CEN/TS17073) to track last mile delivery to urban and rural areas of Moldova.</p> <p>Final goal: <i>the national postal operator and private sector parcel delivery operators signed cooperation agreements to co-share the last mile delivery in Moldova and to dispatch cross-border consignments within 24 hours from order (after handing over to postal service provider). The aim is to establish co-sharing agreements for delivery to ensure optimal usage of infrastructure and postal rates.</i></p> <p>Gaps addressed:</p> <p>E9. Availability of international logistics operators is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery limiting involvement in eCommerce ecosystem.</p> <p>E10. Parcel delivery network is similar as in the EU. <i>Challenge:</i> global private logistics services face challenge to maintain high eCommerce volumes creating high rates for parcel delivery limiting involvement in eCommerce ecosystem.</p>	
<p>4.1. Initiate stakeholder consultations to promote the benefits and best practices of co-sharing on the last mile delivery. Identify potential parties willing to co-share delivery and set conditions according to the EU benchmarks</p>	<p>Best practices: in the EU countries, it is common for the national postal operator to use barcodes and identifiers, which can be read by private parcel operators. This makes cooperation and co-sharing practices in the last mile possible for the public and private operators.</p> <p>Due to service parameters (Quality of Service), volumes sent to Moldova could be delivered by the operator best suited on the last mile. "Downstream access" may allow private postal service operators to use the existing postal infrastructure for the last mile delivery of pre-sorted parcels. "Up-stream access" may allow private postal operators to collect consignments from senders to transfer them for sorting at the cross-border hub, or even to dispatch to a third country – allowing related rebates (equivalent to the cost savings of Posta Moldovei).</p> <p>The national operator remains the owner of the transaction, but the private parcel operator receives a share of revenue for the delivery. Tracking is enabled by usage of the common barcodes and identifiers. Such cooperation is based on bilateral agreements.</p> <p>The currently developing solution, MDelivery, being a unified integration point between delivery actors (currently planned to support delivery of goods resulting from public services) may become a basis for a solution to support co-sharing agreements between</p> <p>Possible steps:</p> <ol style="list-style-type: none"> 1. Organise a workshop to promote the benefits and best practices (including terms and conditions and suggested sharing schemes) of cooperation to co-share the last mile delivery between the Posta Moldovei and private parcel operators. Involve Posta Moldovei and the key private postal operators. 2. Identify the key parcel delivery operators in Moldova who are willing to enter bilateral agreements for last mile delivery cooperation. Additional assessment of their capability to deliver according to quality standards is required (e.g. ability to deliver within 24 hours).
<p>4.2. Set and technically support requirements for cooperating parcel operators to use common barcode to identify parcel at any</p>	<p>To enable cooperation between the parcel delivery operators, it is recommended to use common barcodes. This makes it possible for parcel delivery operators to identify content of parcels and for parties to track items at any point of the supply chain. The European Committee for Standardisation (CEN) has developed the appropriate specification. Such a harmonised labelling specification shall be supported by the usage of the Global Trade Item Number (GTIN) and HS codes to achieve an automated description of the content of the consignment according to the UPU-WCO customs data model and mandatory use of Electronic Advanced Data (EAD).</p>



Recommendation / Action	Specification
<p>point of the cross-border supply chain</p>	<p>Possible step: Consult the Posta Moldovei, the Ministry of Economy and Infrastructure and the customs authorities about the need to make available the UPU standards (M33-12) and CEN/TS 17073 related systems of parcel identification for private parcel delivery operators and logistics services as well Posta Moldovei (to enable both in parallel). Private parcel delivery operators, logistics services and the national postal operator should be able to use in parallel the UPU standards and CEN/TS 17073 related systems of parcel identification.</p>
<p>4.3. Initiate pilot programme to test cooperation between the Posta Moldovei and 2-3 private parcel delivery operators/logistics operators using the common barcodes to identify parcels when co-sharing the last mile delivery</p>	<p>Possible steps:</p> <ol style="list-style-type: none"> 1. Develop concept and business case. 2. Validate the concept with the key involved stakeholders. 3. Define and complete preparatory actions to launch the pilot (e.g. planning, organisational set up, allocate budget). 4. Set terms and condition of ownership of transactions – i.e. which parcel delivery operator receives is generally responsible for a transaction and co-shares revenues for a delivery. Agree on the revenue split model according to the EU benchmarks. Agree on the expected standards of the quality of service provided by operators. 5. Sign bilateral agreements. 6. Launch and monitor the pilot implementation, including setting up regular observation workshops involving the stakeholders. 7. Complete the pilot programme and define the required improvements (if needed). 8. Consider scaling up and implementing the tested solution with a broader scope.
<p>5. Further strengthen the integration of Moldovan eCommerce ecosystem actors into EU networks.</p> <p>Final goal: <i>increased collaboration of the eCommerce ecosystem stakeholders of Moldova with the EU ecosystem actors through transfer of the EU knowledge and practices.</i></p> <p>Gaps addressed:</p> <p>E7. The EU 2021 eCommerce package – IOSS: is not familiar to all involved stakeholders and no preparatory actions done.</p> <p>E14. The EU 2021 changes – electronic declarations only: is not familiar to all involved stakeholders and only fragmented preparations are done.</p> <p>E15. The EU 2021 changes – simplified customs procedures: is not familiar to all involved stakeholders and only fragmented preparations are done.</p> <p>E16. The EU 2021 eCommerce package – no exceptions to pay VAT: is not familiar to all stakeholders and only fragmented preparations are done.</p>	
<p>5.1. Establish the national eCommerce association and consider joining Ecommerce Europe's</p>	<p>To ensure exchange of critical information about the changes that are introduced consistently, it is advised to for Moldova to participate on a national level in regular events between the stakeholders.</p> <p>Possible steps:</p>



Recommendation / Action	Specification
national member associations	<ol style="list-style-type: none"> 1. Establish the national eCommerce association/department in the Chamber of Commerce of Moldova to represent Moldova as an institutional partner informing eCommerce stakeholders of Moldova about the global and the EU eCommerce changes/updates. 2. Explore possibilities to join eCommerce Europe as a member. Also, consider involving the private sector parties as business members of Ecommerce Europe. 3. Ensure that Moldova is informed on a national level about the EU and global eCommerce agenda. 4. Ensure sufficient funding sources to cover participation of Moldova on a national level in regular meetings including travel, accommodation, facilitation, venue costs. 5. If needed, facilitate agreements to involve Moldova in meetings with the aim to exchange information on upcoming global changes in eCommerce area (e.g. the EU VAT Ecommerce package, EU Single Customs Window, Digital Services Act).
<p>6. Adjust legislation, standards, IT systems and business processes of Customs Service, postal and logistics operators to prepare for electronic advanced data and simplified customs procedures.</p> <p>Final goal: <i>cross-border trade is possible as customs authorities, postal and logistics operators can seamlessly exchange electronic advanced data with the EU operators. Courier, express or parcel operators are able to perform customs clearance using simplified procedures.</i></p> <p>Gaps addressed:</p> <p>L24. Customs declaration for all consignments of distance sales are not regulated.</p> <p>S17. UN / EDIFACT Exchange Specification is not regulated.</p> <p>S18. Information Exchanges based on the EU customs model is partially compliant as not all required modules are implemented in the system yet.</p> <p>E14. The EU 2021 changes – electronic declarations only: is not familiar to all involved stakeholders and only fragmented preparations are done.</p> <p>E15. The EU 2021 changes – simplified customs procedures: is not familiar to all involved stakeholders and only fragmented preparations are done.</p>	
6.1. Implement applicable clauses from the EU Regulation on customs declarations (applicability of electronic declaration for all consignments of distance sales)	Implement the regulation of customs declaration for all consignments of distance sales according to Commission Delegated Regulation (EU) 2019/1143 of 14 March 2019 amending Commission Delegated Regulation (EU) 2015/2446 , including provisions: <ol style="list-style-type: none"> 1. Goods the intrinsic value of which does not exceed €22 shall be deemed to be declared for release for free circulation by their presentation to customs until July 2021. All imports into the EU will have to be declared at the border using an electronic customs declaration, as well import duties will apply without threshold by July 2021. 2. Possibility to declare goods up to €150 using a customs declaration that requires 3 times less data than a standard declaration. 3. Requirements to designated postal operators as well as to courier, express or parcel operators to present the documents according to the value of consignments – i.e. reduced or full procedures and documentation – in advance.



Recommendation / Action	Specification
	<p>4. Duty relief for low value consignment (intrinsic value of the goods not exceeding €150) when using the Import-One-Stop-Shop; or when the IOSS is not used special arrangements according the EU Customs Code.</p> <p>Possible owner: Customs Service.</p>
<p>6.2. Implement standards required for exchange of electronic advanced data in postal operations (for both, designated operator, as well as the private operators)</p>	<p>Implement standards for necessary electronic data lodging of digital customs pre-declarations on item level in line with:</p> <ol style="list-style-type: none"> 1. Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, Annex B, "super-reduced dataset". 2. CEN/TR 17536 - Postal services – Requirements for electronic advanced data (EAD) in postal operations compliant to security and customs requirements. 3. UN / EDIFACT messages. <p>Allocate the necessary funding to implement the UPU's Customs Declaration System (CDS) module into the ASYCUDA system, which is necessary for full operations of electronic advanced data. Note that CDS requires the UPU's IPS.</p> <p>Possible owner: Customs Service.</p>
<p>6.3. Adapt processes and IT systems of Customs Service, postal and logistics operators to the requirements of the pre-arrival information exchange by connecting to Import Control System 2</p>	<p>Possible steps:</p> <ol style="list-style-type: none"> 1. Assess the current state of awareness and preparatory actions for the mandatory electronic customs declarations and simplified customs procedures from 1 January 2021. 2. Assess the current IT systems and prepare for any updates needed to connect to the new system – Import Control System 2. This includes exit and entry summary declarations, as well unique transport ID on consignment level (including connectivity to e-AWBs). 3. Assess and adapt processes and IT systems to the data requirements for the pre-arrival information exchange³⁵. Identify potential software developers who could help to adjust. 4. Assess changes needed in businesses process as simplified procedures³⁶ become available to parcel delivery services. 5. Introduce training programme for stakeholders to use electronic customs declarations and simplified customs procedures. <p>Possible owner: Customs Service, the Posta Moldovei, private postal and logistics operators.</p>
<p>7. Adjust legislation, IT systems and business process to prepare Customs Service, State Tax Service, private parcel delivery and logistics operators, and online retailers for introduction of Import One Stop Shop (IOSS) and removed VAT exceptions.</p>	

³⁵ Explanatory notes on electronic advanced data: <https://standards.iteh.ai/catalog/standards/cen/0428799b-5273-45f8-8629-17da8e92f54f/fprcen-tr-17536>

³⁶ Explanatory notes on simplified customs procedures: <https://standards.iteh.ai/catalog/standards/cen/0428799b-5273-45f8-8629-17da8e92f54f/fprcen-tr-17536>



Recommendation / Action	Specification
<p>Final goal: <i>cross-border trade is not delayed and is faster as Customs Service, tax authorities, private parcel delivery and logistics operators, and online retailers aware of procedures to collect VAT at the point of sale and ready to declare VAT for all commercial items. VAT is paid to a country of destination.</i></p> <p>Gaps addressed:</p> <p>L25. Special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries is not regulated.</p> <p>E7. The EU 2021 eCommerce package – IOSS: is not familiar to all involved stakeholders and no preparatory actions done.</p> <p>E16. The EU 2021 eCommerce package – no exceptions to pay VAT: is not familiar to all stakeholders and only fragmented preparations are done.</p>	
<p>7.1. Implement special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries</p>	<p>Implement the special scheme as regards certain value added tax obligations for distance sales of goods imported from third territories or third countries according to the Directives and Regulations of the VAT eCommerce package.</p>
<p>7.2. Adapt processes and IT systems of Customs Service, State Tax Service, private parcel delivery and logistics operators, and online retailers to be able to collect VAT and/or recognise commercial items cleared from VAT by connecting to IOSS</p>	<p>Possible steps:</p> <ol style="list-style-type: none"> 1. Assess the current state of awareness and preparatory actions for the removed VAT exceptions and integration with the Import One Stop Shop from 1 July 2021³⁷. 2. Adjust systems and procedures of Customs Service and online retailers to connect to the new system – IOSS – to be able to collect VAT or recognise commercial items cleared from VAT (below €150). 3. Adjust systems and procedures of Customs Service and online retailers for the data storage requirements, if needed. 4. Adjust systems and procedures of Customs Service, State Tax Service, private parcel delivery and logistics operators to deal with the increase in the volume of packages that are subject to VAT (cost, time, space wise), as all items will be subjects to VAT. 5. Adjust systems and procedures of Customs Service, State Tax Service, private parcel delivery and logistics operators that would allow to distinguish between the packages that the VAT has already been collected for by platforms (via IOSS system at the point of sales) vs those which have to be collected by postal delivery operator. 6. Adjust systems and procedures of State Tax Service that would allow to send taxes collected from IOSS system to tax authorities of a destination country. Also, assess the needed change in processes when businesses will have opportunity to cancel VAT registrations for cross-border taxes procedures, which will be replaced with IOSS.

³⁷ Explanatory notes on VAT eCommerce rules: https://ec.europa.eu/taxation_customs/sites/taxation/files/vatecommerceexplanatory_notes_30092020.pdf



Recommendation / Action	Specification
	7. Review contracts (and terms of use) with sellers and buyers. 8. Introduce training programme for stakeholders to use IOSS. Possible owner: Customs Service, State Tax Service, the Posta Moldovei, private postal and logistics operators, online retailers.
8. Adjust IT systems and business process to prepare Customs Service, private parcel delivery and logistics operators, and online retailers for usage of the harmonised ID system ensuring interoperability of item identification. Final goal: <i>Customs Service, private parcel delivery and logistics operators, and online retailers assign harmonised identifiers (ISO/IEC 15459 compliant Serial Shipping Container Code (i.e. SSCC by GS1) as well as the UPU's mandatory S10 13-digit Item ID for postal items) to items making it possible for any eCommerce stakeholder to read and re-use identifiers for own purposes. Such harmonised usage of identifiers creates interoperable solution making cross-border transactions faster (e.g. faster customs clearance as parcels can be identified on item level) and easily tracked on item level.</i> Gaps addressed: E18. Awareness of eCommerce package - cross-border parcel supply chain (including item-level tracking): is not familiar and not used by all involved stakeholders.	
8.1. Adapt processes and IT systems of Customs Service, private parcel delivery and logistics operators, and online retailers to be able to assign and read harmonised identifiers on item level	Possible steps: <ol style="list-style-type: none"> 1. Assess the current state of awareness and preparatory actions for the item-level tracking using harmonised ID system from March 2021³⁸. 2. Identify alternative service providers to implement item-level tracking (ISO/IEC 15549 compliant barcodes, as well as UPU S10 mandatory codes for postal items). 3. Assess the current IT systems and prepare for any updates needed to connect to solution to assign and read harmonised identifiers on item level. 4. Introduce training programme for stakeholders to assign and read harmonised identifiers on item level. Possible owner: Customs Service, the Posta Moldovei, private postal and logistics operators, online retailers.

5.2 Legislation framework and standards recommendations to enable cross-border eCommerce with the EU

Five key recommendations for Moldova are presented below including specific actions to be considered on a national level. The recommendations and action points will support Moldova to harmonise legal and standards frameworks to enable seamless cross-border eCommerce. These recommendation form aspects that must be in place for cross-border eCommerce with the EU to work. The recommendations are based on the best EU and global practices.

The identified gaps have different degree of impact on the cross-border eCommerce between the country and the EU. Several aspects are critical for eCommerce flow. These gaps are important to reduce in order to boost eCommerce. Other gaps serve to improve the local conditions of eCommerce market.

³⁸ Explanatory notes on item-level tracking rules: <https://standards.iteh.ai/catalog/standards/cen/29395c55-0c81-4a45-8358-059647b5cca7/cen-tr-17535-2020>



They indicate the areas of suitable harmonisation of practices between the country and the EU. In the following section, the identified gaps are classified in two categories according to their priority:

- Aspects critical for boosting cross-border eCommerce between the country and the EU
- Aspects harmonising the difference between the EU and the country's practices in eCommerce

Table 19: Moldova: Legislation framework and standards recommendations to enable cross-border eCommerce with the EU

Recommendation / Action	Specification
<p>9. Improve the overall legal framework of cross-border eCommerce by introducing fundamental principles and critical requirements. Final goal: <i>the legal framework and main standards related to eCommerce correspond to the EU general framework and the consumers feel safe to shop on-line.</i> Gaps addressed: L20. Injunctions for the protection of consumers' interests are not regulated. L34. Jurisdiction and territoriality of digital service providers is not regulated. L38. Liability of intermediary service providers is partially compatible as it doesn't include all types of intermediations. L47. Terms and conditions of providers of online intermediation services are not regulated. L52. Access to data of business users or consumers provided for the use of the online intermediation services is not regulated. S32. Terms and Definitions are not fully aligned.</p>	
<p>9.1. Align the national legal framework and standards by binding with the fundamental principles allowing cross-border eCommerce between Moldova and the EU countries</p>	<p><i>Provide better enforcement of consumer protection rules for on-line sale:</i></p> <ul style="list-style-type: none"> • L20. Designate the courts or administrative authorities competent to rule on proceedings commenced by qualified entities. Directive (EU) 2019/2161 on better enforcement of consumer protection rules. <p><i>Enhance the legal security of networks and information systems:</i></p> <ul style="list-style-type: none"> • L34. Require a legal representative in the country of foreign digital service provider of marketplace, search engine, cloud computing. Directive (EU) 2016/1148 on level of security of network and information systems. <p><i>Improve the usage of electronic contracts:</i></p> <ul style="list-style-type: none"> • L38. Establish the conditions under which information society service providers cannot be held liable for a third-party illegal content. Directive 2000/31/EC on legal aspects of information society services. <p><i>Introduce the critical requirements for electronic platforms:</i></p> <ul style="list-style-type: none"> • L47. Establish the requirements to the terms and conditions of providers of online intermediation services. • L52. Require that the providers of online intermediation services shall include in their terms and conditions a description of the technical and contractual access, or absence thereof, of business users to any personal data or other data, or both, which business users or consumers provide for the use of the online intermediation services concerned. Regulation (EU) 2019/1150 on promoting fairness and transparency for business users of online intermediation services. <p>S32. <i>To standardise with international eCommerce practices, align national terms and definitions with the international standard.</i> Regulation 2018/644 on Cross-border parcel delivery services.</p>



Recommendation / Action	Specification
<p>10. Improve online marketing and electronic sales capacities of Moldova traders to improve visibility for the EU customers by introducing legislative and standardisation compliance aspects of eCommerce marketplaces and platforms.</p> <p>Final goal: <i>products of Moldova are presented on the marketplaces selling in the EU, clearly identifiable and promoted to the potential target segments.</i></p> <p>Gaps addressed:</p> <p>L3. Recourse to the codes of conduct is not regulated.</p> <p>L7. Formal requirements for confirmation of the distance contracts are partially. compatible as does not require contract on durable medium</p> <p>L13. Misleading commercial practices of paid advertisement are not regulated.</p> <p>L14. Misleading omissions for products offered on online marketplaces are partially compatible as it doesn't specify what is an online marketplace.</p> <p>L15. Information requirements for distance contracts of digital content and digital service do not define digital service supplied by the trader to the consumer.</p> <p>L16. Information requirements for distance contracts when price is personalised on the basis of automated decision-making are not regulated.</p> <p>L17. Fake price reductions are not regulated.</p> <p>L18. Misleading omissions about consumer reviews of products is not regulated.</p> <p>L20. Injunctions for the protection of consumers' interests are not regulated.</p> <p>L28. Authenticity logo for online sale of medicines is not regulated.</p> <p>L35. Unjustified blocking and limiting a customer's access to the trader's online interface are not regulated.</p> <p>L48. Restriction, suspension and termination of online intermediation services are not regulated.</p> <p>L49. Ranking in online intermediation services is not regulated.</p> <p>L50. Differentiated treatment in relation to goods or services offered to consumers through online intermediation services is not regulated.</p> <p>S30. Trustmark for ethical standards in the digital marketplace is not regulated.</p>	
<p>10.1 Legally define on-line marketplaces and introducing rules of their accessibility</p>	<p><i>Improve the legal framework for better enforcement and modernisation of consumer protection rules by introducing the rules and practices of operating online marketplaces and sales of products on marketplaces.</i></p> <ul style="list-style-type: none"> L14. Legalise the principle of online marketplace operated by or on behalf of a trader which allows consumers to conclude distance contracts with other traders or consumers. Require that the consumer must be informed whether the third party offering the products on a marketplace is a trader or not. L13. Require that the consumer must be informed whether the third party offering the products on a marketplace is a trader or not. Directive 2005/29/EC concerning unfair business-to-consumer commercial practices in the internal market. <p><i>Improve the legal protection and accessibility of foreign consumers to Moldova-based online marketplaces.</i></p> <ul style="list-style-type: none"> L35. Prohibit unjustified blocking or limiting a customer's access to the trader's online interface. Regulation (EU) 2018/302 on addressing unjustified geo-blocking.
<p>10.2 Improve the protection of consumers when buying on</p>	<p><i>Improve the legal framework in the identified critical aspects of consumer protection when buying on eCommerce platforms against unfair commercial practices:</i></p> <ul style="list-style-type: none"> L3. Encourage the control of unfair commercial practices by recourse to the national bodies providing codes of conduct.



Recommendation / Action	Specification
<p>eCommerce platforms in Moldova by improving the legal framework and compliance to standards of digital platforms</p>	<p>Directive 2005/29/EC on unfair commercial practices.</p> <p><i>Improve the legislation on consumer rights:</i></p> <ul style="list-style-type: none"> L7. Improve requirements for distance contracts by requiring contract on durable medium and time limit for confirmation. <p>Directive 2011/83/EU on consumer rights.</p> <p><i>Provide better enforcement, modernisation of consumer protection rules:</i></p> <ul style="list-style-type: none"> L15. Define digital content and service supplied by the trader to the consumer. Include provisions of consumer rights protection where the trader supplies or undertakes to supply digital content which is not supplied on a tangible medium or a digital service to the consumer and the consumer provides or undertakes to provide personal data to the trader. L16. Introduce the requirement for the trader to inform in case when the price is personalised by automated decision-making. <p>Directive (EU) 2019/2161 on consumer rights.</p> <p><i>Create legislation on digital platforms:</i></p> <ul style="list-style-type: none"> L48. Require a statement of reasons prior to restricting or suspending the provision of online intermediation services. L49. Require that the terms and conditions indicate the main parameters determining ranking of products on platforms. L50. Require to indicate a differentiated treatment in relation to goods offered through online intermediation services. <p>Regulation (EU) 2019/1150 on fairness of online intermediation services.</p> <p><i>In the standardisation of eCommerce,</i></p> <ul style="list-style-type: none"> S30. implement a national trustmark scheme or adopt an international one to improve the level of trust by local and international consumers. <p>The Ecommerce Europe Trustmark.</p>
<p>10.3 Enhance the performance of Moldova platforms by enforcement and modernisation of consumer protection rules</p>	<p><i>Provide better enforcement of consumer protection rules for on-line sale:</i></p> <ul style="list-style-type: none"> L13. Introduce cases when paid advertisement is considered as a misleading commercial practice: providing search results in response to a consumer's online search query without clearly disclosing any paid advertisement or payment specifically for achieving higher ranking of products within the search results. L17. Require to indicate the prior price applied by the trader for a determined period of time prior to the price reduction (sales). L18. Require to inform about the ways of collecting reviews on products by actual customers and their authenticity. L20. Designate the courts or administrative authorities competent to rule on proceedings commenced by qualified entities. <p>Directive (EU) 2019/2161 on better enforcement of consumer protection rules.</p> <p><i>Create the legal framework enhancements on parcels delivery related to non-fiscal aspects of support of local traders and the consumer protection of both EU and Moldova buyers.</i></p> <ul style="list-style-type: none"> L28. Introduce a common logo for legally operating online pharmacies/retailers.
<p>11. Enhance the security aspects of Moldova eCommerce platforms and their attractiveness for the EU customers by introducing legislative and standardisation compliance aspects of electronic payment.</p> <p>Final goal: assure maximum consumer protection when using electronic payment on eCommerce platforms.</p>	



Recommendation / Action	Specification
<p>Gaps addressed:</p> <p>L46. Development of regulatory technical standards on strong customer authentication and secure communication channels is partially compatible as responsible authority is not specified.</p> <p>L51. Specific contractual terms between providers of online intermediation services and business users are not regulated.</p>	
<p>11.1 Improve consumer protection mechanisms by enhancing requirements applied to electronic payment on eCommerce platforms</p>	<p><i>Improve the legal framework on the critical aspects of secure electronic payment on eCommerce platforms:</i></p> <ul style="list-style-type: none"> • L46. Assign responsibility of a regulatory authority to develop technical standards on strong customer authentication with which all payment service providers must comply. • Directive (EU) 2015/2366 on payment services. • L51. Require that providers of online intermediation services include specific contractual terms with business users. Regulation (EU) 2019/1150 on promoting fairness and transparency for business users of online intermediation services.
<p>12. Improve the time of cross-border parcel delivery between Moldova and the EU countries by implementing standardised electronic data interexchange.</p> <p>Final goal: <i>allow processing of all cross-border data on parcels between Moldova and the EU countries in standardised electronic format in advance.</i></p> <p>Gaps addressed:</p> <p>S12. Framework for secure, trustworthy and user-friendly opening systems for parcel boxes for home use is not regulated.</p> <p>S13. Requirements for electronic advanced data (EAD) in postal operations are not regulated.</p> <p>S15. Requirements for electronic advanced data (EAD) in postal operations, in particular compliant to security and customs requirements are not regulated.</p> <p>S24. CUSITM V1 Customs Item pre-advice message to Customs is not implemented.</p> <p>S25. CUSRSP Customs Response is not implemented.</p> <p>S26. ITMREF V1 – Item referral is not implemented.</p> <p>S27. REFRSP V1 – Referral response message specification is not implemented.</p>	
<p>12.1 Accelerate processing of cross-border data on parcels by implementing Digital Postal Services and electronic data interexchange standards</p>	<p><i>Assure the interoperability of parcels delivery between the EU and Moldova by introducing national standards for:</i></p> <ul style="list-style-type: none"> • S12. Unattended delivery solutions (i.e. parcel locker systems/ parcel boxes) for home use (requires prior consent by the recipient), CEN/TS 17457. • S13. Requirements for electronic advanced data (EAD) in postal operations compliant with UPU-WCO customs data model and the EU Customs Data Model, CEN/TR 17535. <p><i>Introduce Digital Postal Services standards :</i></p> <ul style="list-style-type: none"> • S15. Define semantic mapping description of information on commercial single items compliant to the UPU-WCO customs model and the EU customs data model, CEN/TR 17536. <p><i>Implement Electronic Data Interchange between postal handling organisations based on UPU electronic exchange messaging standards in line with the mandatory UPU-WCO data model:</i></p> <ul style="list-style-type: none"> • S24. CUSITM V1 Customs Item pre-advice message to Customs UPU M43. • S25. CUSRSP Customs response to postal operator on mail items, UPU M44.



Recommendation / Action	Specification
	<ul style="list-style-type: none"> • S26. ITMREF which supports the communication from the destination postal operator to the origin postal operator, UPU M53. • S27. REFRSP supports the communication from the origin postal operator to the destination postal operator UPU M54.
<p>13. Set up the required conditions to assure eCommerce customer service by creating online Alternative Dispute Resolution mechanism and assuring transparency in case of serious security incidents.</p> <p>Final goal: <i>assure the maximum level of consumer support in case of disputes and security incidents.</i></p> <p>Gaps addressed:</p> <p>L22. Availability of procedures for the out-of-court resolution of domestic and cross-border disputes concerning contractual obligations (ADR) is partially compatible as not all types of ADR are specified.</p> <p>L23. Availability of an online dispute resolution platform for consumer disputes (ADR) is not regulated.</p> <p>L33. Security requirements and incident notification (security) is partially compatible as it doesn't require to communicate incident to all parties.</p> <p>L53. Internal complaint handling system is not regulated.</p>	
<p>13.1 Assure the availability of online procedures for the out-of-court resolution of domestic and cross-border disputes concerning eCommerce contractual obligations</p>	<p><i>Create a national legal framework of Alternative Dispute Resolution (ADR) for consumer disputes supporting eCommerce:</i></p> <ul style="list-style-type: none"> • L22. Introduce the type of ADR such as Conciliation, Ombudsmen, Arbitration, and Complaints boards. • L23. Lay down rules for online dispute resolution platform for consumer disputes. • Directive 2013/11/EU on alternative dispute resolution. <p><i>Create a mechanism of handling complaints by providers of eCommerce platforms and intermediation services:</i></p> <ul style="list-style-type: none"> • L53. Introduce a requirement for providers of online intermediation services to provide an internal system for handling complaints. Regulation (EU) 2019/1150 on promoting fairness for business users of online intermediation services.
<p>13.2 Assure transparency on incidents by introducing requirements to inform authorities and consumers</p>	<p><i>Introduce the obligation to provide incident notifications about security of networks and information systems of eCommerce platforms:</i></p> <ul style="list-style-type: none"> • L33. Introduce obligation of digital service providers to notify the competent authority about incident having a substantial impact, and the obligation of competent national authority to inform the public about individual incidents. Directive (EU) 2016/1148 on measures for a high common level of security of network and information systems.

6 The next steps and considerations

As the next step, the beneficiaries in the Eastern partner countries should use this report to consider implementing the recommendations. Recommendations in legal and standards areas include specific points for specific government authorities to use as an input to make necessary changes. These recommendations and action points are presented in *chapter 5.2* of this report.

Recommendations in ecosystem area should be considered by the relevant government and non-government ecosystem stakeholders, who should include the recommendations in national economy development plans for practical actions. These recommendations are presented in *chapter 5.1* of this report.



In addition, this report is considered by the European Commission for possible activation of the recommendations on bi-lateral and regional levels.

The next step of the EU4Digital Facility is to launch a pilot to facilitate cross-border eCommerce. Recommendation #1 of this report – Establish a virtual warehouse as a re-usable database to list goods for sale in the EU and other Eastern Partnership countries – is confirmed to be a pilot solution, which will support countries to list products on the foreign marketplaces and complete cross-border eCommerce transactions. The pilot activity is scheduled to start in January 2021 and to be completed by April 2021. Updates on the activities are published on eufordigital.eu.