

John Dalli

Member of the European Commission, responsible for Health and Consumer Policy

Commissioner Dalli delivers speech on 'European Citizens at the Heart of the Single Market'

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

John DALLI, European Commissioner for Health and Consumer Policy, participates in the conference 'Single Market: Time to Act!'

Brussels, Belgium, 08 February 2011

**Conference organised by Commissioner Barnier
Single Market: Time to Act
European Citizens at the Heart of the Single Market**

**Tuesday 8 February 2011, 15:30hrs
Charlemagne Building - Brussels**

SPEECH

Ladies and Gentlemen,

I am grateful for this opportunity to set out my vision of the EU Single Market.

The Single Market has been fundamental to the process of European Integration over the years. The closer European Nations drew together the higher the call for the creation and operation of a single market. Without the single market there can be no European integration, without the single market the Member States cannot truly function as a Union.

As the success of the single market started to yield higher benefits to businesses, citizens and consumers, expectations by the very same rose steadily. The single market is no longer seen as a tool for integration but rather as the basis on which to unlock growth in the Union. The underlying philosophy was and continues to be that the whole is more than the sum of its parts. The better the functioning of the single market, the higher its contribution to growth.

It is therefore no surprise that the Single Market represents a central and fundamental tool for achieving the Europe 2020 growth agenda.

And I believe that our key challenge will be the extent to which we succeed in putting our citizens at the heart of the Single Market.

Professor Monti, in his Report, has told us clearly that the Single Market is not as popular with our citizens as we would wish.

I believe that in our efforts to re-launch the single market we should not lose sight of the benefits of having a citizen-focused and evidence-led approach to policy-making that delivers concrete outcomes for citizens and consumers.

Ultimately the continued success of the single market depends on enhancing and strengthening citizens' confidence.

A considerable amount still needs to be done both in terms of economic reform, primarily for citizens in their capacity as consumers, and also in terms of enforcement and redress.

There is still an unacceptable degree of market fragmentation and too many markets, especially services markets, which are failing consumers on a daily basis.

As Commissioner for Consumer Protection, I see a number of concrete actions that we need to take to deliver this vision:

- First we need to ensure safety;

- Then we need to empower consumers to use their rights and make available to them effective means of resolving disputes with traders.
- We also need to step up our monitoring and diagnosis of failing consumer markets and to ensure that markets operate in a transparent way;
- Finally we should pay particular attention to the online market.

For me there is a simple truth that the single market is driven by billions of daily decisions taken by businesses but ultimately by consumers – for me the consumer is the "sire" of the single market.

For me then consumer policy at the service of the single market and the single market at the service of consumer policy should be built on the following four pillars: Safety, information (and education), redress and enforcement.

In order to achieve these objective allow me to highlight some concrete actions:

Product safety

It goes without saying that safety is a key issue in the Single Market and that it is therefore essential to complete the single market for safe products.

Protection of consumers from dangerous products is still uneven.

Consumers should be able to trust that the goods they purchase, no matter where they are produced, are safe.

Businesses need to know that Member States will apply the same protection rules throughout the EU if they are to have confidence that their products can be traded across the Single Market.

To this end, I plan to revise the General Product Safety Directive to create a coherent and effective framework for the safety of consumer goods.

A multi-annual market surveillance plan will help to improve the uniformity of Member State actions as regards enforcement of EU legislation on health, safety and other risks.

Consumer redress

Turning to redress, allow me to say that while, as we all know, European consumers are equipped with EU rights, these rights may turn out to be worthless if they cannot be enforced effectively across the European Union.

Effective and efficient out-of-court and in court dispute-resolution is essential, in particular where many consumers are concerned by the same infringement.

As proposed in the Single Market Act, swift, simple and easy access ways of settling disputes will give consumers confidence to re-engage in the Single Market. They will put consumers at ease when operating cross-border, and stimulate demand for goods and services, both off- and on-line.

A level playing field based on clear and balanced rules will also benefit businesses and boost competitiveness.

In this respect, I am working on a key initiative planned for the end of 2011:

a legislative proposal on Alternative Dispute Resolution

The first step has already been made and we have launched recently the consultation that focuses on difficulties identified in relation to the Alternative Dispute Resolution and on the ways to improve its use in the European Union.

I also see the value of moving further on the issue of collective redress and in order to do so a joint consultation has been launched last week. The objective of this consultation is to identify common legal principles on collective redress and to examine how such common principles could fit into the EU legal system and into the legal orders of the 27 Member States.

Here let me encourage you to provide your views to both these consultations.

Consumer Scoreboard and market studies

If we are to identify new sources of growth and we are to tackle markets that fail consumers, we need to step up our efforts to monitor and analyse the single market from a consumer point of view.

Your support is vital if we are to continue our work on the Consumer Markets Scoreboard and our market studies of poorly performing sectors, such as current accounts and electricity.

Further studies on the meat sector, on e-commerce and on internet service providers are in the works. These studies will deliver the diagnosis of the failures that harm our economy and consumers' welfare.

Transparency of bank fees

Monitoring consumer conditions, which are undoubtedly among main growth drivers, has already led us to focus attention on one area which does not work well for consumers - personal current bank accounts. I am pleased that one of the proposals of the Single Market Act is to improve transparency and comparability of bank fees for consumers.

Together with Commissioner Barnier, I am taking steps to address these issues. We eagerly await the results of the work undertaken in this area by the banking industry, which can be expected this summer.

Online Single Market

Finally, I believe that we need to pay particular attention to the online Single Market.

It should open up the horizons for European consumers to let them drive the integration of markets.

Yet, it still creates many problems for consumers. They have little confidence when shopping online; as I see from the mail I receive. They worry about online fraud, their privacy and the limited access to goods and services. Also the choice of online services and offers differs significantly from one Member State to the other.

On top of this, 6 times out of 10, consumers cannot complete cross-border transactions online. This is frustrating for them and is a lost opportunity for business.

We need to break down the remaining barriers. At the same time, we need to ensure that consumers are confident in shopping cross-border.

Conclusion

Ladies and Gentlemen,

These are just a few examples of what has to be done. I am pleased to see that these ideas have found their place in the Single Market Act.

Together with my fellow Commissioners, we will reinforce the Single Market as the engine of Europe's integration and sustainable growth.

I firmly believe that the Single Market has the potential to deliver more – both to citizens and businesses - and that it is now the right time to act to turn this vision into reality.

Thank you very much.