

COMMISSIONER MIMICA

BEUC GENERAL ASSEMBLY  
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### SPEECH

Ladies and Gentlemen,

It is a great pleasure and indeed an honour to address the BEUC General Assembly for the first time.

Let me start today by reiterating my solid commitment to putting all the tools at my disposal to the service of the consumers of Europe over the remaining 12 months of the current Commission's mandate.

I took up office on 1 July. My first official engagement on that day was a celebratory event in Strasbourg to mark the 20<sup>th</sup> anniversary of a French/German consumer association. It was created shortly after the lifting of intra-community borders in 1992 and hosts the European Consumer Centre.

I was impressed by their efforts and successes. It is an excellent example of the real value added that Europe can bring to consumers, and the vital importance of having strong consumer organisations that can assist consumers in their everyday life.

You are the leading players amongst consumer organisations across the European Union. I highly appreciate the contribution that you make in supporting European consumers and the vital role that you play in shaping consumer policy at national as well as European level.

Consumer policy has an important place in the Union's broader agenda to strengthen economic recovery and growth, reduce youth unemployment and overcome social hardship. Consumers are the power-house of the single market, accounting for well over half (56%) of EU GDP. Safe, informed and confident consumers can play a leading role in driving the economy and fuelling economic recovery. Consumer policy is a cross-cutting economic recovery policy.

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I am determined to make full use of the final year of this Commission's mandate to drive matters forward as far as possible on a number of key priorities.

Building on the framework set out in the European Consumer Agenda I seek to

- take forward ongoing legislative proposals;
- strengthen the enforcement on existing consumer laws;
- ensure timely implementation of recently adopted measures on alternative and online dispute resolution

and

- support Member States and consumer organisation in those parts of Europe where the untapped potential of consumer culture is greatest.

Allow me to speak briefly on each of these priorities in turn, starting with the pending legislative proposals on product safety, medical devices and bank accounts. Ideally, all should be adopted still by the present Parliament.

The Product Safety and Market Surveillance package promises improvements to product safety through reinforced traceability, better enforcement co-operation and clearer obligations on businesses. I very much hope that the Council and the European Parliament will stay focused on swiftly reaching an agreement on the package.

Similarly, regarding our two proposals on medical devices, I hope that trilogues with the Council can soon start, paving the way for a first reading agreement to be reached early next year.

The third on-going negotiation concerns the proposal on Payment Accounts. It seeks to improve the transparency and comparability of bank fees. It would also establish a smoother switching process, enabling consumers to benefit from better offers and incur lower costs. Finally, it would enable European citizens to open a basic bank account irrespective of their financial situation and of where in the EU they reside.

There are encouraging signs that an agreement can be reached soon by the co-legislators and my services and I are working hard to make this possible.

My second priority is enforcement. I want to devote all possible energies to improving the enforcement of existing consumer legislation – and notably the Unfair Commercial Practices Directive.

I know that BEUC and indeed many other stakeholders fully support this ambition, and I am grateful for that. I also know that you share my view that theoretical rights mean next to nothing if they are not properly translated into practice. Consumer laws need "teeth".

Enforcement of consumer law is, of course, the responsibility of national authorities – all of which have to operate within budgetary constraints, which are usually tight given the difficult economic climate.

The Commission's role is to co-operate with Member States to increase their efficiency through assistance with transposition, interpretation guidelines and co-operation mechanisms.

A powerful way to improve consumer conditions within the Single Market is to target widespread breaches of consumer laws, common to most Member States, and which inflict a high degree of harm on consumers.

The Commission is taking an increasingly active co-ordination role for such infringements by mobilising the network of authorities under the Consumer Protection Cooperation Regulation – the CPC network.

A preliminary step in this process was to collect evidence in order to set priorities through structured dialogues with various stakeholders, including of course consumer organisations.

Last summer, BEUC was asked to give its views on enforcement priorities for consumer rights in the EU. National enforcers were also asked to report on their priorities after having consulted national consumer associations to help form their opinions.

The Commission gathered input and evidence from about 40 different parties in this exercise and is now fostering, together with national authorities, a common enforcement action plan for the months ahead. Investigations and deliberations are still ongoing but I can assure you that we should soon be able to share with you some concrete results.

In October I was already happy to announce some very concrete enforcement results concerning our 2012 "sweep" of websites selling digital downloads (such as music, videos, books and games).

A year ago, only half of the 330 websites checked complied with key requirements of consumer legislation. As a result of our joint intervention together with the national enforcers, this figure has now climbed to 80%.

These results inspire me to go further. I have decided to review the specific issue of "in-game purchasing" which was highlighted by a supplementary study. In this regard, I want to secure better information for consumers so that they avoid disproportionate and unexpected charges as a result of in-game purchases made by their children.

More generally, I consider it particularly important to insist on tackling the challenges consumers are facing in the new digital environment. I want them to feel equally empowered when shopping online as they feel when shopping offline. That is also why we have been looking and will continue to look into issues such as comparison tools and online reviews.

Better enforcement is an objective that cannot be achieved overnight. Securing better, across-the-board enforcement is a long-term process, which calls for sustained efforts and careful monitoring.

To this end, I launched, on 11 October, a strategic public consultation on how to improve substantially the enforcement of consumer rights across the European Union.

I would encourage all of you to contribute to this exercise. I need your ideas – and I will need your support to promote them. I plan to put forward my conclusions to this process in the spring of next year.

Effective enforcement and effective recourse to redress are two sides of the same coin. This is why I will pursue the timely and thorough implementation of the Directive on Alternative Dispute Resolution and the Regulation on Online Dispute Resolution.

As you all know, the ADR Directive has to be transposed by July 2015. The Commission is determined to support this process and will issue implementation guidelines next year. In parallel, work is on track for delivering a user-friendly and well-functioning Online Dispute resolution platform in 2016.



I also want to take forward the recent Commission Recommendation on Collective Redress. I hope that this first step towards a coherent framework for collective redress across the EU will lead to the implementation of national schemes in line with the common principles included in the Recommendation.

Alongside these priorities I will of course bring forward the important work that is under way on some of the issues that matter most to consumers.

This is the case for energy – and the need to empower consumers in obtaining better deals within energy markets.

At the Citizens Energy Forum in December, I will present a report on E-billing and how to help consumers manage their energy consumption. We will also launch in, early 2014, a study on the functioning of electricity markets for consumers.

Let me also briefly mention the EU-US trade agreement. Such an agreement would be the biggest bilateral trade deal ever negotiated. I am aware of many concerns on its potential impact on consumer protection. We have to watch this carefully but let us not belittle the fact that such an agreement can bring multiple benefits to consumers on both sides of the Atlantic.

It goes without saying, of course, that any future agreement must respect our high level of protection standards.

Ladies and Gentlemen,

Let me now turn to the crucial issue of consumer representation.

As members of BEUC you are in a position to influence policy formation and decision-making in Europe. Both individually and collectively, you put the consumer case before policy-makers, and work to achieve concrete benefits for consumers on the ground.

You give a stronger voice to consumers in what is often a business-dominated environment.

I am well aware, however, that consumer representation varies greatly across the Member States. The situation of consumer organisations in Central, Eastern and South-Eastern Europe is, in particular, often very difficult.

Whilst many problems relate to the absence of appropriate financial support, there is also a broader issue of inadequate representation of consumer interests in the national policy formation process.

To address this issue, I will pursue actions to strengthen the consumer culture, including capacity-building for consumer organisations.

The detailed planning of such actions is still under preparation, but they would include the development of an interactive web networking platform, E-learning modules, class teaching, local training courses and expert courses.

Topics developed for these courses will be translated and adapted for local needs, and will be offered, for the first time, in the relevant national language.

Interactivity will be a key feature of this networking platform, towards developing a community website discussion forum where consumer organisations' staff can exchange best practices. We also aim to involve staff from the European Consumer Centres and from national authorities.

In short, my vision is to boost the knowledge, technology, management and skills of consumer organisations and with this their capability to attract funds at national level. This is essential in order

- to better assist and advise European consumers as they strive to secure better deals for themselves; and

- to represent them when they cannot reasonably be expected to fight on their own behalf.

Alongside our efforts at EU-level, I personally intend to raise these issues in my contacts with my national counterparts as of early next year.

Strengthening the capacity of the consumer movement is for me not only a prerequisite for realising our current consumer policy priorities. It is - more importantly – a legacy for ensuring that consumers will remain at the heart of the Single Market in the years to come.

Let us work together in this direction.

Thank you

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