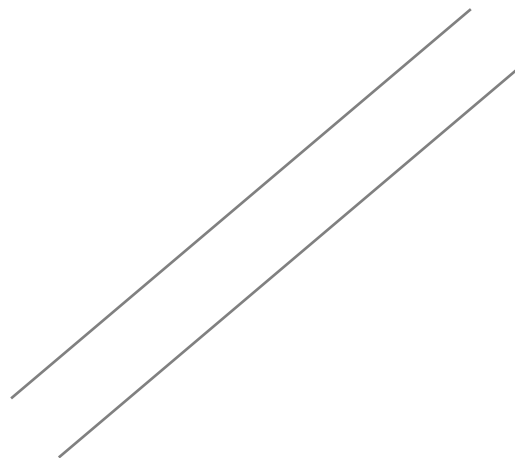


John Dalli

European Health and Consumers Commissioner

Sweeps Press conference



Press conference speaking points

Brussels, 16 September 2010

INTRODUCTION

Ladies and gentlemen,

I am pleased to be here today together with **Mr Marc Van Hende**, Director General for Enforcement and Mediation in the Belgian Federal Public Service Economy, to **inform you** on the work that we are doing to enforce consumer rights through 'Sweep' investigations.

Since the first sweep in 2007, 'Sweeps' have been gaining steadily in momentum, efficiency and results.

Sweeps involve a lot of work and Mr Van Hende will tell you later in more detail how the sweeps are conducted in practical terms.

Today we are proud to announce the results of two sweeps:

- i) First, the **results of the 2009 sweep on electronic goods**, following the enforcement phase, which took place after the initial check in May 2009.
- ii) Second, the results of the **2010 Sweep** which is looking at websites selling tickets for cultural and sporting events, following the initial check that took place last May.

All this work is about tackling hidden charges, unfair practices and nasty surprises in the small print of websites.

It is also about raising awareness of on-line traders that they have obligations towards consumers and that consumer authorities are enforcing these obligations in a systematic way to ensure that the rights of consumers are respected.

Consumers should be able to compare offers, shop around and find the deal that suits them best. In order to do so they need full and clear information and transparent prices.

ELECTRONIC GOODS SWEEP

Let me first tell you about the **results of the electronic goods sweep**.

Today I am glad to be able to tell you that 84% of the websites selling electronic goods which were checked for breach of consumer rules now comply with EU laws.

This compares with only 44% when the initial check was done in May 2009.

The great majority of problems have been corrected and some problematic sites have closed.

310 sites - have now been corrected following the 15 month EU-wide crackdown on practices which were found to be in breach of EU consumer rules.

This is a substantial improvement. It is very good news for consumers!

We have come a long way since we first checked the market in May 2009. Then, illegal practices were widespread with only 44% websites complying with consumer rules.

There has been a steep change in the level of compliance.

The change in compliance levels is higher than in previous Sweeps – this is good for consumers and is an indicator for enforcement authorities that this approach is working.

Let me give you some more detail on the results

- **86%** of the websites checked now display **clear and accurate information** as required by law, for example on the right to return the product without giving a reason and on the legal guarantee period. This compares with **64%** in May 2009;
- **94%** of the websites checked now display clear and accurate **information about the total price**, for example delivery charges and all other extra costs. This compares with **75%** in May 2009;
- **95%** of the websites checked now provide the required details about the trader such as the name, address and e-mail, compared with **82%** in May 2009.

Mr Van Hende will provide you with examples of specific cases and the follow up given by the Belgian enforcement authorities.

TICKETING SWEEP

Let me now tell you about the first results of the new Sweep.

- In May-June 2010, enforcement authorities from all the 27 Member States as well as Iceland and Norway checked websites selling tickets to cultural and sporting events.
- We know that this is an active sector – for example, in 2009, about 35% of EU consumers who ever bought anything online bought tickets either for a cultural or sporting event. These include tickets to concerts, movies, football matches, motor races etc.
- This domain was chosen because we know from consumer authorities that large numbers of complaints have been received in relation to such sites.
- The European Consumer Centres report that 30% of the complaints they handled in relation to online shopping concerned recreation and culture services of which cultural and sporting events form a large part.
- Enforcement authorities agreed on this sector and they checked **414 sites**.
- They found that **only 40% of the sites were compliant** and 60% were flagged for further investigation for breach of consumer rules.

The main problem areas were:

- Missing, incomplete or misleading **information about the price** – for example hidden taxes like handling or delivery charges. Problems in this area were found on **74%** of websites.
- **Unfair terms and conditions** – for example where ticket delivery was not guaranteed on time or a refund was excluded in the event of cancellation. Problems in this area were found on **73%** of websites.
- Missing, incomplete or misleading **information about the trader** – for example the trader falsely claiming to

be an authorised representative. Problems in this area were found on 48% of websites.

Again, similar problems as in previous sweeps were found. This calls for continuous efforts and work on enforcing consumer rights.

However this does not mean that we are not gaining ground. **On the contrary, we are increasingly successful in improving the sectors that we target.**

First, **our sweep investigations are gaining greater momentum** and we are targeting more effectively markets that are problematic for consumers - this is key to long-term successful enforcement.

Second, **consumers**, who have a key role to play in keeping the market clean, continue to stand up and to report about unfair practices.

Indeed the role that consumers play in rewarding the good operators, who respect their rights, can be a powerful instrument for change.

Third, we continue to **strengthen** EU-wide enforcement through the dedicated network of national enforcement authorities that are working to improve the websites that operate across Europe.

Today I want to take the opportunity to congratulate this network for the work that they are doing to achieve this result successfully.

CONCLUSION

Ladies and gentlemen,

I am very happy to conclude by saying that this enforcement work has laid the foundation for a much better online environment for the future.

The public authorities across Europe are working together in an increasingly effective way.

The increased media attention helps deterring bad business practices.

European consumers are increasingly aware of their rights and the businesses of their obligations.

We have to continue building on this work as it delivers concrete benefits for European citizens.

Now, let me turn to Mr Marc Van Hende who will say a few words on behalf of the national enforcement network that has carried out the sweeps.

Then we will be happy to take any questions that you may have.

Thank you for you attention