

**COMMISSIONER KUNEVA OPENING
LEUVEN BRAINSTORMING EVENT ON COLLECTIVE REDRESS**

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KEYNOTE SPEECH

**" COLLECTING THOUGHTS AND EXPERIENCES ON
COLLECTIVE REDRESS "**

Ladies and Gentlemen,

I am delighted to be here in Leuven – to welcome you to what promises to be a very productive day of brainstorming and an open exchange of views.

We are here today to start collecting your thoughts and experiences on collective redress.

Redress, together with enforcement, is a key part of the European Commission's Consumer Policy Strategy for 2007-2013 – and fits well with the Commission's programme for growth and jobs, and with the Commission's Citizens' Agenda.

As you know, we are focusing our efforts on delivering sustainable growth and creating more and better jobs through enhanced competitiveness.

At the same time, citizens' expectations of the EU are constantly growing. Our new Citizens' Agenda for Europe must deliver an open and fully functioning single market that brings tangible benefits for consumers.

In his recent post-Summit message, President Barroso emphasised again the need to move Europe forward in closer contact with real citizens.

I believe that consumer policy is uniquely well placed to help the EU rise to the twin challenges of growth and jobs, and re-connecting with its citizens.

In our Consumer Policy Strategy for 2007-2013 we have set ourselves three main objectives:

- First, we want to empower Europe's consumers.

Putting consumers in the driving seat benefits citizens but also boosts competition significantly.

Empowered consumers need real choices, accurate information, market transparency and the confidence that comes from effective protection and solid rights.

- Second we want to enhance the economic and non-economic welfare of Europe's consumers, in terms of price, choice, quality and affordability.
- And third, we want to protect consumers effectively.

Market failures for consumers fall into two categories – those that individuals cannot address and those that they should address themselves. It is more efficient for public policy to focus on tackling the first of these categories.

One of the priority areas on which EU consumer policy will focus is better enforcement and redress.

The application of consumer law calls for action from many players – consumers, traders, the media, consumer NGOs, self-regulatory bodies and public authorities.

Action will focus on implementing the initiatives that are currently in progress, filling the gaps that remain and ensuring coordination and coherence.

The Commission will also monitor the effectiveness of national enforcement regimes through surveys and other tools.

Clearly, consumers will not be able to enjoy the full benefits of the Single Market unless strong and effective systems are in place to address consumer complaints and to give consumers the means for adequate redress.

In order to facilitate the resolution of consumer complaints we have encouraged, through two Recommendations, the development of Alternative Dispute Resolution (ADR) schemes and have established the European Consumer Centres Network (ECC-Net).

The ECC-Net provides information and advice to consumers on problems with shopping across borders and helps consumers to resolve their cross-border disputes through an appropriate ADR scheme.

We are currently in the process of evaluating whether the European Directive on Injunctions has in fact been used effectively to protect the collective interests of consumers, and whether it has delivered the expected results.

We have been examining the problems that consumers face in obtaining effective redress for some time.

We know that EU consumers with small claims are often discouraged and refrain from taking individual court action, in particular because costs are high (frequently higher than the sum being claimed), or because of lengthy proceedings.

Things will be better when we will have the Regulation establishing a European Small Claims Procedure for cross-border disputes which, with effect from 2009, will simplify, speed up and reduce the costs of litigation for claims not exceeding € 2,000. However this will not address domestic problems, nor will it always provide the best solution.

In order to better ensure the enforcement of consumer rights, many Member States have already put in place, or are currently introducing, collective redress mechanisms.

As European Commissioner responsible for consumer policy, I feel that I need to examine how prevalent the problem of consumers still refraining from enforcing their rights is – and whether I can do anything further about it.

Collective redress, both judicial and non judicial, could be an effective means to address this problem.

I must stress, however, that unless I am convinced that there is a strong and pressing case for it, I do not intend to take any action at European level.

I therefore plan to investigate the situation thoroughly with Member States, the European Parliament and stakeholders before taking any decision.

In order to form a definitive and holistic view of the issue, I need to hear from people like you – legal practitioners, industry and consumer representatives, ombudsmen, academics, who have knowledge and experience in the area of collective redress.

I have also discussed the issue of collective redress with my fellow Commissioner, Neelie Kroes, who shares my interest in this important issue.

We are both looking forward to receiving feedback and to an interesting debate relating to this issue – she in the context of the forthcoming White Paper on antitrust damages actions, and I in the context of the discussion that is being launched today.

Today I take the opportunity to launch a reflection process on this important issue.

I hope that you and other stakeholders will contribute to this process by sharing with us your experiences and by providing us with relevant and useful information.

I and my colleagues in the Commission's Health and Consumer Protection Directorate General are open to engage with you and other stakeholders in an ongoing dialogue in order to obtain your views on collective redress.

We will take stock of the progress made in these discussions at the Portuguese Council Presidency's

conference on collective redress, which will be held in Lisbon on 9 and 10 November.

By the time of the Lisbon Conference, I hope to have gathered sufficient input from you to be in a position to present my ideas on how best to proceed.

I am pleased that we have here today in our panel – and in the audience – representatives of all stakeholders.

We have representatives from industry, including the retail sector, from consumer organisations, academia, legal practice, and public authorities.

Ladies and Gentlemen, the title of today's event is “collecting thoughts and experiences on collective redress”. I am very pleased that you are here – ready willing to share with us your thoughts and experiences.

I shall be listening very attentively and with great interest, today and over the coming months.

You have a golden opportunity to put your views across. So – please seize the moment.

End
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