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Speaking points at the European Consumer Summit (EN)

17 October 2016, Brussels

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**”EU consumer and marketing law; still fit for purpose? Achievements and
challenges”**

– High level panel discussion: ”Towards a clear, stable and robust regulatory
framework to boost consumer trust and sustainable growth”

Draft

Good afternoon!

(My name is Per Bolund and I am minister for Financial Markets and Consumer Affairs
in Sweden.)

Firstly, I would like to thank Commissioner Jourová for inviting me to the Consumer
Summit and letting me have this opportunity to discuss with you the important issue
on how to make sure that the consumer legislation is fit for purpose.

The changing markets and need for REFIT

As we all know consumer markets are changing rapidly and mainly due to the
digitisation and globalisation. This brings positive effects for both consumers and
business, but there are also challenges involved in this progress. The way consumers
are exposed to marketing is not the same as it was even ten years ago. Social media and
other internet services, have made individualised marketing more frequent. We also
observe difficulties when it comes to identifying marketing. Sometimes the advertising
may be more or less hidden. This makes it more difficult for consumers, especially
vulnerable consumers, to make well informed choices and for public authorities to
enforce the legislation. The Swedish government has recently assigned an expert
committee to analyse changes in marketing practices, including methods and
channels. We hope that this will be useful in connection with the review at EU-level.

Another rather new, but at the same time very old, way of doing business, can be
observed in the rapidly growing sharing economy. This development is very positive

for consumers in many ways, not least, by facilitating sustainable consumption. But it also raises questions on the applicability of current legislation. In Sweden we have an expert committee analysing the sharing economy from different aspects and we welcome very much that the Commission has addressed this subject recently in a communication.

These and other changes in consumer markets are positive but also entail challenges for consumers, business, legislators and national enforcement bodies. Therefore we appreciate the initiative from the Commission to launch the REFIT Fitness check of consumer legislation.

Ways forward for clear and robust legislation

So how do we achieve a clear and robust regulatory framework? Sweden endorses harmonised rules, where appropriate, which entail a high level of consumer protection, taking a proper balance between consumers' and traders' interests into account. Harmonised legislation is important to increase predictability for both consumer and business and to boost cross-border trade.

The legislation must also be clear, as this reduces the administrative burden for business and makes it easier for consumers to know and exercise their rights. A legislation that is easy to interpret also makes the work of the enforcement bodies a lot easier. I also want to point out that consumer markets are diverse. Sector legislation is therefore sometimes appropriate and even necessary. When assessing consumer legislation with the ambition to simplify it, it is important to make sure that the overall level of consumer protection is not reduced.

A challenge for all legislation is to be as flexible as possible and not risk becoming obsolete when markets or consumer behaviour change due to, for instance, technical developments. Unnecessarily detailed legislation needs revisions more frequently. There is also a risk that unnecessarily detailed legislation creates obstacles to innovation and the development of new products and services.

Ways forward for consumer trust

So how do we achieve a legislation that boosts consumer trust? Consumer legislation should give the consumers the protection that they expect at the time when they need it. The legislation should as much as possible take into account that consumers are not a unified entity. I very much welcome that the Commission in this Fitness check includes analysing whether the current rules sufficiently acknowledge the needs of vulnerable consumers. If consumer legislation does not protect the ones who need it the most, it is not fit for purpose.

Consumer trust also entails that consumer rights are properly enforced. It is important that national enforcement bodies have the necessary tools to fulfil their tasks, and that the cooperation between the national enforcement bodies in the EU is effective. I therefore agree with the Commission that there is a need to revise the Consumer Protection Cooperation Regulation (CPC).

Sustainable growth

Consumer policy is not just about consumer protection. I think it is also very important that consumers, and business too, are given the tools they need to enhance sustainability. The average consumption is not sufficiently environmentally sustainable. In my experience, consumers want to be active and make sustainable choices when consuming but that they often find it difficult to achieve this.

Therefore I am happy that just a few weeks ago the Swedish government presented to the Parliament a Strategy for sustainable consumption. It aims, inter alia, at

- increasing knowledge about the consequences of consumption,
- cooperation between public bodies, business and civil society,
- stimulating behaviour patterns which take sustainability into account,
- enhancing effective use of resources within a circular economy, and
- working against goods and services being hazardous to health and environment.

One starting point for the strategy is the United Nations Sustainable Development Goals, Agenda 2030. The strategy will be followed by special assignments for The

Swedish Consumer Agency. One assignment is to set up a special forum as a meeting place for different stakeholders working with issues relating to environmentally sustainable consumption. Another assignment is to stimulate consumers to choose the most environmentally friendly options when consuming, also known as nudging. An important tool for consumers to make sustainable choices is of course also an effective eco labelling.

An important issue for me and the government is how we can make goods more durable. The government has proposed decreased VAT (from 25 to 12 percent) for repairs of, inter alia, bicycles, shoes and clothes. We have also proposed a tax reduction on repairs services done at people's homes for certain products such as refrigerators and other household appliances. I think that durable goods and sustainability aspects should be considered when discussing provisions concerning legal guarantees at EU-level.

Conclusion

In conclusion, I welcome the Commission's initiative to evaluate consumer protection legislation to make it fit for purpose. I believe that harmonised rules, where appropriate, is the way forward, to the benefit of both consumers and business. A robust legislation entails coherence and, at the same time, a necessary balance between horizontal and sector legislation. Trust is based on consumers getting the necessary protection when needed and that the legislation, as much as possible, is fit for the changing markets and new services that emerge over time. It is also important to make it possible for consumers and business to minimise the negative effects that consumption has on our limited resources. I look forward to keep working with the Commission and the Member States on these challenges.

Thank you!