



**EUROPEAN COMMISSION**

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# **EU consumer policy: today's challenges, tomorrow's solutions**

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Spokespersons'  
Service  
Service des  
Porte-parole

**SPEECH/XX**

Excellencies,

Ladies and gentlemen,

It is my pleasure to welcome all of you to the European Consumer Summit 2015.

I am pleased to meet here today so many people working on consumer policy in one place: national authorities, consumer organisations, businesses and business organisations.

**Today is a great opportunity for all of us to think ahead about consumer policy.**

It is also an important moment for me to have an open exchange about how we can **work together for the benefit of consumers.**

This Commission is determined to work on big projects where we can make a difference. One of such big project is the **Digital Single Market – on which we proposed a strategy in May.** A Digital Single Market that can create up to 415 billion Euros in additional growth and hundreds of thousands of new jobs. A Digital Single Market that has the potential to contribute to economic recovery in the EU.

### **Digital Contracts**

I want consumers to get the best possible deal, **more choice and better protection.** I want them to trust businesses more,

and to feel more confident. At the same time, I will also work for a business friendly environment in the EU, in particular for SMEs.

I am responsible for two key contributions to the Digital Single Market: the data protection reform and an initiative on digital contracts to unleash the potential of cross-border e-commerce.

Currently, consumers do not trust the online environment. In 2014, only 15% of consumers bought online from other EU countries. Only 38% of European consumers think that buying online from other EU countries is safe.

If they could choose from the full range of EU goods and services when shopping online, consumers could save 11.7 billion Euros each year.

And for business, the costs and uncertainty of legal fragmentation currently hold most of them back from selling their products cross-border online. In 2014, only 7% of businesses sold across borders on the internet.

Consumers should be able to **shop in other EU countries as easily as at home** and get the best quality at the best price. They should have the same rights across the EU when digital content is defective or doesn't have the promised quality. Today, "more of the same bad service" is often the sole compensation for users.

Take for example a football fan who, because of the poor quality of the video, cannot watch the game he or she paid to watch via streaming. Many contracts only give you a mere discount to watch future games, of the same poor quality! Consumers would be better off with the right to terminate the contract and get their money back instead.

Take another example, that of a German independent industrial designer, who faces huge **problems retrieving all the work and data he stored in the cloud**: the contract he had with the cloud service provider did not give him the possibility to properly migrate all his work and data to another service provider upon termination.

On the other hand, businesses should not have to shoulder the cost of legal uncertainty and fragmentation. Today, a Danish SME that sells computers on the internet is faced with different rules if a computer turns out to be faulty. In Denmark, Luxemburg or Finland, the trader can first offer to repair the computer, before offering other options such as replacement or reimbursement. In countries like Greece, Ireland and Slovenia, he must let the consumer choose between repairs, replacement, or reimbursement.

We need to find the right balance and reconcile consumer interests and business needs. Our **proposal for simple and effective cross-border contract rules** for consumers and business will fill existing gaps. It will set out contractual rights

for online sales of tangible goods, both domestic and cross-border. And it will **clarify consumer rights for defective digital content products.**

We are **looking forward to your further suggestions and concrete input** on the details of the forthcoming proposal during this summit and in the different stakeholder groups.

In parallel, we are sparing no efforts to finalise in 2015 the **data protection reform.** This is another key enabler for the Digital Single Market.

We know that citizens' trust in the internet has plummeted. 43% of users across the EU are concerned about the misuse of their personal data. Two thirds of Europeans tell us that they don't have enough control over their personal data.

We will build a modern, strong and consistent data protection framework, strengthening people's data protection rights and simplifying the legal environment for businesses. We want a single set of rules on data protection, valid across the EU. One continent, one law. Not 28. The rules will apply to all companies selling products or services to Europeans, no matter where their servers are located.

Trust and clear rules translate into economic growth. Based on modern and clear rules consumers and business can turn the Digital Single Market into an economic powerhouse. I am confident that the Council will agree their position in June, so

that discussions with the European Parliament can start and we can wrap up the negotiations before the end of this year.

We are also adapting the rules that **protect consumers when they book a holiday online**. With the new rules on package travel, people will know whether they're buying a package or not, and they'll know which services are included in the price, and who is responsible for delivering it. I am very happy that we concluded these negotiations last week.

### **Consumers should benefit from clear and simple rights.**

Consumers should be able to obtain redress when they have been treated unfairly by traders. We will update our guidance for business and regulators on unfair commercial practices. In particular, we highlight problematic practices on-line and on **so-called green claims**, to boost enforcement in those areas.

### **Enforcement**

Effective enforcement is a priority for me. Consumers can confidently buy goods and digital content only if **effective ways of enforcement and redress** exist. Our work on Alternative Dispute Resolution will help people to enforce their rights in an easy, quick and low cost way.

It is my personal experience that many consumers give up too easily and don't stand up for their rights. I've made that mistake myself. People simply don't complain when something goes wrong.

I think our mission should be to change that. A minority of unscrupulous traders will always **treat consumers unfairly** or sell them shoddy goods. They may target consumers who are particularly vulnerable, and try to sell you loans at the doorstep or over the phone.

I am aware that enforcement might not be the sexiest field of policy-making. It might not get you medals. But I want to make the laws work on the ground, **I want citizens to reap the benefits, in their shopping carts and in their wallets.**

That is why we help to **enforce** consumer rights on the ground. The so-called sweeps we carry out help to detect fraudulent practices on e-commerce websites and bring them in line with EU legislation. And the **European Consumer Centre Network** plays a crucial role as well.

A critical step will be the review of the **Consumer Protection Cooperation Regulation**. We aim at clarifying and enhancing the powers of enforcement authorities, to detect and address infringements faster, and to improve market surveillance and alert mechanisms.

### **Energy Union, circular economy, fitness check**

The Energy Union and the circular economy package are high on my agenda. **I want to empower consumers to make an informed choice:** they need to understand and compare offers and prices, and they need to know their rights.

National consumer associations are doing a great job helping people to switch energy provider, in a collective effort to secure better energy deals. We need more of that, and we also need to be vigilant and **protect vulnerable consumers**.

The **Circular Economy Package** is planned for the end of this year. We are currently looking into the best ways to promote product durability, and the re-use, repair or recycling of products.

**Last but not least, we will embark on a major overhaul of key EU consumer laws in 2016.** This will be an opportunity to update consumer legislation, to make it future-proof and adapt it to the digital world we live in.

## **Conclusion**

I cannot do all this on my own. To defend consumer interests effectively, we all need to work together.

So my appeal to you is to **help us achieve the big things**.

Let's not forget the digital age is putting the consumer at the centre of markets. And I believe that those who understand that consumer-centred new world will have a clear advantage.

On the other hand, big data is putting a lot of power into the hands of those who gather and own them.

So there is a delicate balance we must strike. Personalised offers may make my life easier, but they can also invade my privacy. This is only one of many challenges for consumer policy, for the European Union and for all of us.

If we put our heads together, and learn from our experiences and insights, I think we can find the ideas, the solutions, and the policies for the coming years. That is what this summit is all about. So let's make the best out of it!