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# UPDATE ON EU CONSUMER POLICY

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# Digital Single Market

- Commission Work Programme 2015: Commission will simplify consumer rules for online and digital purchases.
- Certain key consumer protection rules for on-line sales of digital products and tangible goods have already been fully harmonised across the EU, but in other areas there are only minimum EU rules leading to national differences.
- For digital products, there are no EU wide consumer rights against defective digital content (Consumer Sales and Guarantees Directive only applies to tangible goods).
- Commission currently discussing:
  - filling the existing legislative gap regarding defective digital content
  - how to promote the cross-border online trade in tangible goods



# ***Energy Union***

**Objectives:** *security of supply, sustainability and competitiveness*

*Focuses on*

- **Energy security, solidarity and trust**
- **The internal energy market**
- **Energy efficiency to achieve moderation of demand**
- **Decarbonisation of the economy**
- **Research, innovation and competitiveness.**

**Road map with concrete actions - integrated and coordinated approach**



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# ***Energy Union***

*DG JUST focus*

- **A new "market design" that includes consumers**
- **More innovation by and for consumers**
- **Energy efficient behaviour: labelling, buildings**
- **Enforcement against unfair commercial practices**
- **Measures to protect vulnerable customers**



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# ***7th Citizens' Energy Forum***

## ***Conclusions:***

- **Extend the mandate of the WG "Consumers as energy market actors"**
- **Address enforcement issues**
- **Reconvene the Vulnerable Consumer Working Group**
- **Establish a cooperation process between energy regulators and consumer authorities**
- **Encourage joint efforts by consumer bodies and regulators (e.g. BEUC-CEER)**

***ECCG Sub-Group on Energy meeting with invited guests Consumer Protection Cooperation network (CPC).***

# ***Market study: functioning of retail electricity markets for consumers (2015)***

- ***Purpose:***
  - Revisit the 2009-10 study
  - Assess impact of recent legislation – implementation & enforcement
  - Investigate market improvements in terms of price, choice, comparability, switching, quality and access, innovation and protection of vulnerable consumers
  - Examine the extent to which consumers are able to make informed, rational and empowered choices
- ***Methodology:***
  - Field work on-going : price collection, consumers and stakeholders surveys, mystery shopping, behavioural testing
- ***Timing:***
  - Final report Autumn 2015

# Package Travel Directive (PTD)

## Overall state of play:

- *General Approach adopted by COMPET Council on 4 December 2014*
- *LV Presidency aims for political agreement at COMPET Council of 28/29 May*
- *First trilogue on 4 February: identified political issues*
- *These are:*
  - *Scope: definition of package / assisted travel arrangement*
  - *Insolvency protection*
  - *Inclusion of business travel*





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# Package Travel Directive (PTD)

## State of play (cont):

- *Second trilogue on 5 March*
- *EP proposed compromises in relation to the scope – coverage of "click-throughs" as packages*
- *Some points were resolved and other referred to technical work*
- *Third trilogue scheduled for 22 April*



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# Consumer Sales and Guarantees Directive

## – existing rules

- The seller must deliver goods to the consumer which are in conformity with the contract of sale
- The seller shall be liable to the consumer for any lack of conformity which exists at the time the goods were delivered
- In case of a lack of conformity, the consumer shall be entitled to have the goods brought into conformity free of charge
- Legal guarantee: Seller shall be liable for a minimum period of two years for any lack of conformity with the contract which exists at the time the goods were delivered.



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# Consumer Sales and Guarantees Directive – challenges

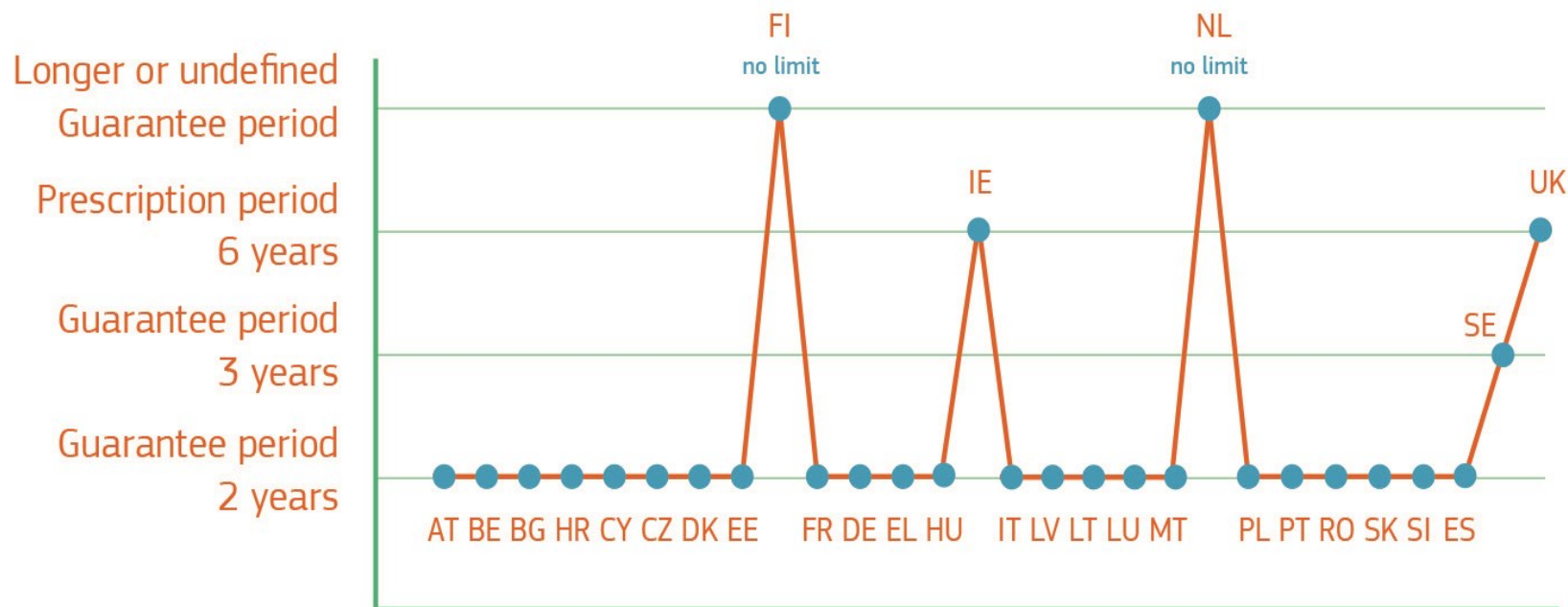
- Minimum harmonisation – Member States can go beyond its requirements (in particular, regarding the duration of the guarantee period and/or the period during which the burden of proof is placed on the trader; or regarding the order for exercising the consumer remedies)
- Applies only to the sale of tangible goods (irrespective of the sales channel), but not to purchases of digital products
- As a result, currently there is **no EU level regulation on the conformity with the contract and remedies for faulty digital content;**



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# Consumer Sales and Guarantees Directive – example of MS going beyond requirements

***Directive: Guarantee period of min. 2 years***





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# Consumer Sales and Guarantees Directive

## – part of REFIT

- Specific action in the Commission Work Programme 2015: the REFIT Fitness Check of part of the consumer legislative framework, including the Consumer Sales and Guarantees Directive (besides the Unfair Contract Terms Directive and the Unfair Commercial Practices Directive).
- Aim of the Fitness Check: to assess effectiveness, efficiency coherence and relevance of these instruments, in particular their fitness for Digital Single Market (DSM)
- The preparatory work for REFIT will start in 2015 and we aim to publish the results by end 2016, also fully taking into account any new proposal that the Commission may put forward under the current DSM strategy



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## Market study on legal and commercial guarantees

Coverage:

- EU28 + Island, Norway

Research questions:

- Are sellers and producers aware of and comply with requirements of relevant EU and national legislation?
- Are consumers aware and make use of their rights?
- What is the nature and prevalence of problems consumers encounter when executing their rights?
- How legal and commercial guarantees are communicated to consumers?
- Whether the guarantees in practice bring benefits to consumers.

Study will help assess if stepped up enforcement is needed to ensure a more coherent application of the Consumer Sales Directive, and will feed into REFIT.

Study expected to be published by end of 2015

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## ODR PLATFORM – NOVEMBER TESTING

- *Technical development of platform on track*
- *Testing of platform on 25 and 27 November as requested by ODR Regulation:*
  - *120 participants: ADR/ODR experts appointed by Member States, consumer and trader (including SMEs) representatives, European Disability Forum*
  - *Positive feedback: about 70% rated overall impression of platform with 4 (5 highest)*
  - *Suggestions for improvements (dashboards, timeline, translation)*

## ODR PLATFORM – NEXT STEPS

- *Pursue technical development, also in light of the comments received in November*
- *Further testing planned before the Summer 2015*
- *Commission working closely with Member States to ensure timely transposition of ADR Directive and notification of list of ADR entities to be registered on platform*
- *Flanking measures to ensure uptake of platform*
- *Platform to be launched on 9 January 2016*





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# Environmental Claims

2012: Multi-Stakeholder Dialogue on Environmental claims (MDEC) set up

2013: Report and recommendations from the MDEC presented at the 2013 Consumer Summit

2014: Consumer market study on environmental claims (non-food) - to be published in coming weeks

2015: development by MDEC of 'compliance criteria' on environmental claims in the context of the Unfair Commercial Practices Directive (UCPD)

- Better enforcement of UCPD in this area
- Feeding into the Commission's UCPD Guidance revision process
- Other possible future actions by MDEC

## Review of CPC Regulation 2006/2004: timeline



Completed

- External evaluation (2012)
- Public consultation (winter 2014)
- Report on the functioning of the CPC Regulation (1 July 2014)
- IT Presidency conference 'EU Cooperation for Consumer Rights' (July 2014, Rome)
- Presentation of the Commission report to the Competitiveness Council (September 2014)



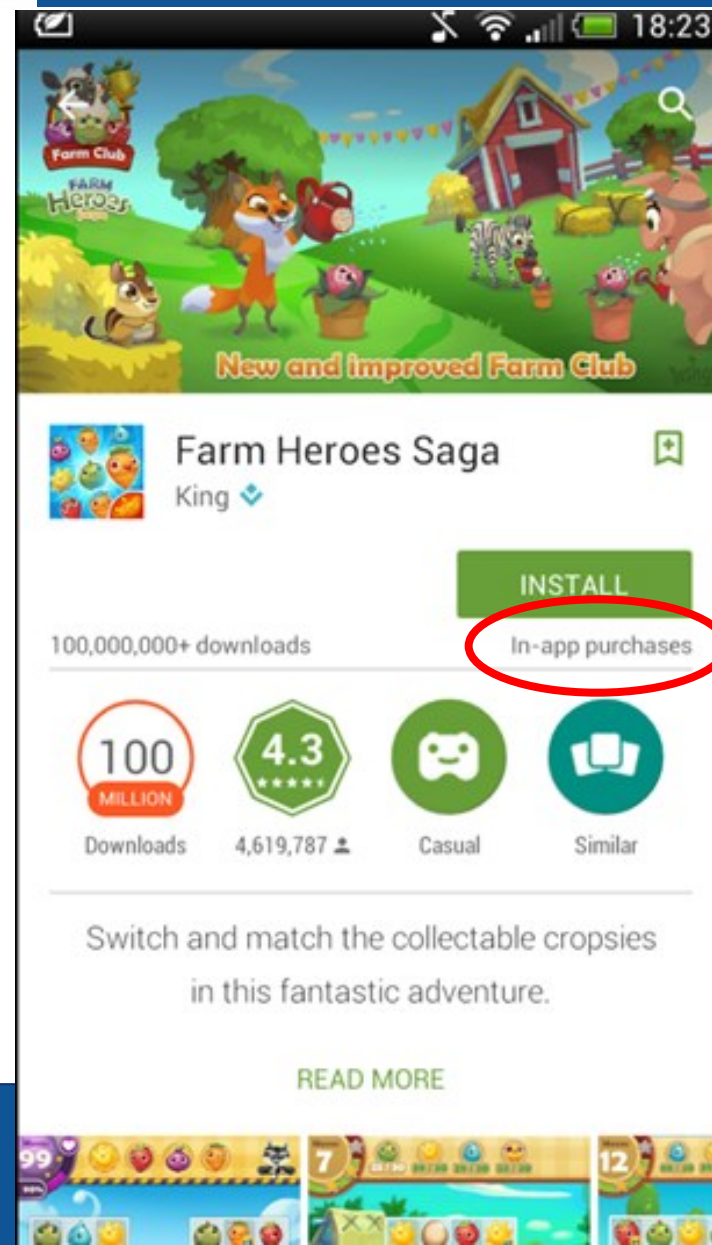
Next

- Impact assessment (spring 2015)
- Legislative proposal (2016)

***Extension of the review to take into account the Digital Single Market Strategy***

## Lessons learned from CPC joint enforcement actions

- Big players operate at a global level
- Misleading practices occurring in several Member States can therefore be more efficiently addressed through a common action at EU level
- In-apps: industry has reacted in a positive manner to the coordinated enforcement and implemented changes swiftly





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# Market surveillance of (physical) consumer products sold online

*Member States have highlighted their limitations in monitoring the safety of products sold online. Main reasons are:*

- *Jurisdiction restrictions (to national borders)*
- *Complexity of supply chains (new types of economic operators such as fulfilment houses and "marketplaces")*
- *Difficulty of identifying economic operators online*
- *Difficulty of assessing the risk without physical access to products*

# Commission support to Member States

- *Study on best practices for online surveillance*
- *Expert Group discussions between relevant stakeholders to identify challenges and ways forward*
- *Preparation of guidelines for safety controls of products sold online – (legal context, surveillance procedure, consumer education, business information)*

# How best inform/educate consumers

## *What should consumers know?*

- *Legal requirements exist: Consumers should look for safety information*
- *Member State authorities monitor the market, but their capacity to check the internet is limited*
- *Threats associated with buying online should be explained*
- *What else?*

# How best inform/educate consumers

*How should authorities inform consumers?  
Who could be partners in this effort?*

- *Up to date websites, brochures, campaigns, etc.*
- *Media: dedicated TV shows, specialised press*
- *Complaint systems (when, how to submit a complaint)*
- *Ideas and contribution offers welcome*



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***Thank you for your attention!***

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