

Association For Consumer Rights (Malta)

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Annual General Meeting – Saturday 29 March 2014

Annual Report 2013

The Meeting opened with the address by President Stefan Xuereb

Minutes of the last Annual General Meeting held on 21 June 2013 were read and approved by the Assembly

Hon Treasurer's Report was read by the Acting Treasurer Mary Mangion and approved by the Assembly

Pauline Azzopardi was elected Hon Treasurer uncontested and approved by the Assembly

Executive Committee Membership and meetings for 2013 between June 2013 and February 2014

Stefan Xuereb – President

Mary Mangion – Vice-President

Grace Attard - General Secretary

Pauline Azzopardi Hon Treasurer

Marie Demicoli - Assistant General Secretary

Members: Pauline Azzopardi, Rita Caligari, Francesca Chetcuti, Judith Debono, Doris Bingley, Robert Cilia, Martin Vella and Lina Caruana (o-opted)

Resignation of President and appointment Acting President

Following the resignation of President Stefan Xuereb in November, due to a health issue of a member of his family, the Executive Committee approved Mary Mangion as Acting President in accordance with the ACR Statute provisions. The Association is very sorry that Stefan Xuereb, an expert in Consumer Affairs could not carry on in his role of President

Registration with Consumers Council. Following General elections in March, the Consumer Affairs Council did not meet until February 2014. As a result it was necessary to re-submit ACR registration and for the approval of the Consumer Council meeting held in February 2014. The registration of ACR has been approved and made public in the Government Gazette

Life membership fee: During the January Executive Committee meeting a decision was taken to offer Life Membership for a fee of 5 euro.

Meetings of the Executive Committee

During this period (July – March) the ACR Executive Committee met eight times on a monthly basis. President Stefan Xuereb continued carrying out **training sessions** for Executive Committee members. The Association is receiving complaints on a regular basis **regarding a wide range of complaints**. Both ACR President Stefan Xuereb and Joyce Borg, MCCA Director were responsible for replying to these complaints

During these eight months the initiatives of the Association concentrated on establishing links both and local and European level

ANEC membership: one of the first initiatives was the process to enroll ACR as member organisation of ANEC a European Consumer Standardisation Agency. In Malta there are two Associations representing Consumers, and finally an agreement was reached by which the National Association for Consumers will be the representative organization on ANEC and the Association for Consumer Rights, Malta (ACR) will be the alternate representative for 2013 . At the ANEC AGM in mid 2014, ACR will be the Consumer Association representing Malta from 2014 to 2016 and the National Association for Consumers will be the alternate representative. Grace Attard has established a direct link with ANEC Secretariat and as a result we receive all the necessary developments on Consumer Rights and standardisations in implementing EU Directives

Efforts were made for ACR to participate in the European Commission Consumer Group (ECCG) meetings held in Brussels. However, as only one person per country can attend, the current Malta representative, Dr A. Grima has the right to attend. Through her efforts, ACR alternate Pauline Azzopardi was able to attend in the absence of Dr A. Grima. Efforts were also made for ACR to participate in the Transatlantic Consumer Dialogue (TACD). However as ACR is not a member it will have to cover travelling and accommodation expenses which currently ACR cannot do. Grace Attard has also met with ANEC President and General Secretary and reached an agreement with ANEC to send ACR updated information on current legislation and relevant enforcement procedures at EU level on a regular basis

MEUSAC Core Group meetings: In 2013 Hon Treasurer Pauline Azzopardi was elected member of the MEUSAC Core Group representing Civil Society. She regularly attends the MEUSAC Core Group meetings dealing with a wide range of subjects. General Secretary Grace Attard who is a member of the European Economic and Social Committee (EESC) and member of the Consumer Affairs Committee provides background information for Pauline Azzopardi on most of the topics under discussion at MEUSAC meetings.

Topics discussed in MEUSAC Meetings

28 June 2013: A European Single Sky Policy for better Air Traffic Management

Performance: The proposed directive was discussed at MEUSAC Information Meeting. The Members of the Executive Committee discussed the question of redundancy or dismissal of work in cases where it will be necessary to reduce specialised staff such as pilots and air traffic

controllers for cost efficiency. The importance of one European Single Sky Policy for consumers was highlighted

28 July 2013 **Working together for Europe's young people.** A fund from EU is to be allocated to help youths find work. Since this applies to countries where there is 25 percent unemployment for youths 18-25, this will apply to Malta under restricted terms. Malta's youth unemployment is 12-13%.

27 September 2013: **Banking Union: Proposal for a regulation of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism and a Single Bank Resolution Fund and amending regulation (EU) No1092/2010 of the European Parliament and of the Council (Com (2013) 520) .**

Mr Alfred Camilleri, Permanent Secretary Ministry for Finance dealt with the subject. Also present were MFSA Banking Regulator Mr Giordano and Ms Gatt from the Central Bank. The proposal was to change the current system where the taxpayer pays for any bank that goes bankrupt i.e. bail out. It is proposing that it should be a bail in situations where the shareholder and the depositor pay for the losses. Pauline Azzopardi raised a number of objections, as this proposal would be harmful to Maltese depositors and the economy at large (details can be provided in the author's report)

30 August 2013: Pauline Azzopardi also attended a MEUSAC seminar held at the Civic Centre in Naxxar to discuss the Consultation Brief on the implementation of market standards for fresh fruit and vegetables. The Chairman was Dr Justin Zahra, Director of Agriculture.

MEUSAC Meeting discussed **The Directive of the European Commission, the European Parliament and of the Council amending Directive 94/62/EC on packaging and packaging waste to reduce the consumption of lightweight plastic carrier bags.** Grace Attard passed on the Commission Directive and other information to prepare comments for the discussion

MEUSAC Meeting on The European Year of the Citizen 2013 - 23 November 2013

Pauline Azzopardi attended above debate in the House of Representatives. Debates between Members of Parliament, European Parliamentary Representatives and representatives from Civil Society took place. This session was presided by the House Speaker the Hon. Anglu Farrugia. Various proposals were put forward by the European Citizen Action Service.

Comments by Pauline Azzopardi on two of these related to consumers and based on online purchases were on **eliminating barriers to shopping in the EU:** Citizens' Small claims and Citizens on-line shopping. There is the need for more power to MCCA to enforce consumer rights and also for NGOs who deal with consumer protection. To even subrogate the citizen when there are unfair trading practices.

The Commission also intends to launch by Spring 2014 a dedicated EU-wide awareness raising a campaign to make citizens more aware of their rights as consumers and hence improve confidence in the digital online market. (details can be seen in author's report)

MEUSAC MEETING 18 December 2013

A meeting was arranged with the Prime Minister before his visit to Brussels, for a social dialogue. He was to participate in the European Council on the 19-20 December 2013 and subjects to be treated were amongst others :

Il-Politika Soċjali u Ekonomika;
L-Unjoni Ekonomika u Monetarja;
Politika Komunitas-Sigurtà u d-Difiza

Meetings of the EESC Consumer Category

1. The EESC Consumer Category organises Public Hearings on different aspects of Consumer protection. Sometimes they are co-organised with representatives of environmental organisations and farmers representatives. Report of the Hearing on *The credit crunch and shrinking savings: how to break the vicious circle to kick-start recovery* and *Report of Hearing on Restoring confidence in the food chain by making it more transparent were disseminated to the Executive Committee members(available on request)*
3. **The Consumer Affairs portfolio** is in the hands of a new Commissioner from Croatia, Mr Neven Mimica. He is currently carrying out an overhaul of legislation and enforcement measures to address shortcomings. The members of the Consumers Category also had a discussion with Ms Spanou, DG SANCO, Consumer Protection Directorate – one year on – progress in the European Consumer Agenda and the following points were addressed:
 - Finalising of pending legislation before the EP Elections
 - Areas that need particular attention are:
 - Data protection (to be launched next year)
 - Financial Services and Education
 - Product Safety and Market Surveillance in particular with enforcing traceability information on labeling of products and
 - Strengthening the Rapid Alert System (RAS)
 - Medical devices – reference was made to recent scandal eg: breast implant. There is the need for more legal certainty and stricter scrutiny especially in high risk medical devices
 - Accessibility and transparency in Bank payments especially in bank switching transactions
 - Empowering consumers in the energy sector – a consumer-producer future (already in place in Germany)
 - A Single Market for Telecommunications
 - Addressing the needs of vulnerable consumer; emphasis on vulnerability of children to online access
 - Addressing over-indebtedness as a result of the financial crisis
 - Roaming Charges
 - Lack of adequate standardisation – discrepancies between member states

Meeting with Chairperson of the Malta Consumer Affairs Council: Prior to the November Executive Committee meeting, a meeting was held between the Hon. Secretary Grace Attard, the Financial Treasurer Pauline Azzopardi and Vice-President, Mary Mangion and Mr. Seychell Chair of the Consumers Affairs Council and Mr. Vince Piscopo member of said Council.

The following points were raised and discussed

1. Clarifications on the role of the Consumer Affairs Council
2. The working relationship between the Consumers Affairs Council and ACR
3. The role of ACR
4. The initiatives ACR is carrying out
5. The links ACR has been establishing
6. The needs of ACR
7. Recommendations for the future

The incoming President of the Consumer Affairs Council, Mr. Seychell who replaced Mr M. Pizzuto explained that the Consumers Council role is to give advice to Government on issues at National and EU level. Unlike the MCCA, and NGOs, the Council does not deal with complaints. The Consumers Council is invited to MEUSAC meetings for discussions.

Ms. Attard explained the role of ANEC which is based in Brussels is the European consumer voice in standardization and defends consumer interests in the process of standardization and certification. ACR is an alternate member and in 2014-2016 it shall be the main member. GA also referred to ACR Financial Secretary Ms Pauline Azzopardi who was elected on the MEUSAC Core and appointed as alternate on the European Commission Consumers Group (ECCG)

Another issue raised was on Genetically Modified Organisms (GMOs). Information on packaging of food should clearly be labelled with GMO ingredients clearly explained, however, in Malta we do not have laws on this matter. Importers should be just as responsible to see what the product/food contains. In Malta there is a strong lobby against the importation and selling of genetically modified food .

Proposed recommendation for the future:

- The Council can set meetings for the two local consumer associations to streamline information.
- We should have closer co-operation between the Council and ACR

Citizens Dialogue -Thursday 7 November 2013 from 5pm till 7pm at The Phoenicia Hotel, Floriana.

The European Commission organised a series of citizens' dialogues around different European cities as part of its efforts to communicate more closely with its citizens, especially during this 2013 European Year of Citizens; an entire year dedicated to your rights as a European citizen. Through these dialogues, citizens were able to have their chance to discuss matters which affect them directly with a European Commissioner.

At the Malta event, the European Commissioner Tonio Borg, responsible for health policy, replied to questions and comments from the public. Topics raised included animal rights, the selling of the Maltese passport, female chronic diseases, poverty and social exclusion, the financial crisis, GMOs amongst others. Grace Attard and Francesca Chetcuti participated in the dialogue

Public Consultation on the review of the Consumer Protection Cooperation Regulation

2006. The Financial Secretary participated in a conference organised by the European Consumer Consultative Committee (ECCG) in Brussels on the 11 December 2013. She reported on the questionnaire sent out by the ECCG to be filled in. The aim of the questionnaire is to assess the current situation in European Member states on co-operation between different Authorities and NGOs at national level. A number of presentations given at the 11 December, 2013 Brussel conference were sent to the Executive Committee members by email.

Present for the Conference were other stakeholders including Business and Member States Regulatory Representatives. The presentations were based on research on consumer behaviour and also work done by the commission itself in analyzing the forthcoming consumer regulations to be in place by June 2014. There is time till end of the month for us to make our own propositions as how best to protect the consumer when making digital purchases. The emphasis is for online purchases but she also made a strong point that such protection should also extend to the consumer buying face to face.

ACR was invited to attend the fifth seminar being organised by the Malta Competition and Consumer Affairs Authority (MCCAA) called ***“Do you know the content of your mobile phone contract, or haven’t you even read it?”*** This was a half day seminar held on the 14 March 2014 at the MCC in Valletta. The seminar provided information on Mobile telephony contracts, Billing, Terms and Conditions, Switching to other operators. Pauline Azzopardi made a presentation on the proposed Commission Regulation on New Measures for a Single Market in Telecommunications. The content of the presentation was put together by Grace Attard with reference to the EESC opinion on the subject. The presentation gave important information as to how the EU Regulation set to come into force in July 2014 will encourage the use of telecommunications services, while protecting consumers and SMEs making use of telecommunications and how the local authorities should be informed on to ensure its enforcement

European Consumer Day held on the 13 and 14 March in Thessaloniki

The theme of the summit was ***Consumer Protection and Social Inclusion in a time of crisis*** European Consumer Day 2014 was co-organised by the European Economic and Social Committee together with the European Commission and representatives of Greek Consumer organisations, as part of the greek Presidency of the Council. The aim of the 2014 European Consumer Day was to assess the situation of citizens in the context of the financial crisis and the lack of a social dimension that so far has been lacking in dealing with the crisis

Panel discussions:

Challenges in the field of Consumer Protection

Consumer Rights and their enforcement in times of crisis

Over-indebtedness and financial exclusion

The Social dimension of the European Economic and Monetary Union

A full report can be viewed on ACR website:

<http://acrmalta.weebly.com/>

Election on MCESD Civil Society Committee

The Association for Consumer Rights has been elected on the MCESD Civil Society Committee representing consumers. Acting President Mary Mangion and General Secretary Grace Attard are the representative and substitute respectively. ACR will be in a better position to promote consumer rights and consumer protection

Topics from complaints received over the phone by the Association

Footwear – new shoes, repaired shoes that remained damaged

Clothes

Clothes damaged after being sent to the laundry

Mobile telephony and services

Increase in tariffs of telephony contracts (mobile) without being notified

Increase in internet tariffs without being informed

Household goods – cookers, washing machines etc

Time frames of contracts

Unpriced fruit and vegetables by a street vendor

Selling of a stolen mobile

A bank made a change of home loan to a personal loan without notification

a balcony with aluminium and after a year and a half it has rust at the screws

Conclusion

I am grateful to all those whose commitment to the Association has been crucial to the development of its initiatives in just over three years

We are determined to move on for the benefit of society

Grace Attard

General Secretary

Association for Consumer Rights Malta (ACR)