



Association For Consumer Rights (Malta)

Pope Pius XII, Flat 4, Mountbatten Street, Blata I-Bajda
Hamrun HMR 1579, Malta
Tel no 356 21246982
Email: info@konsumatur.com

16th European Consumer Day Thessaloniki, 14 March 2014

Theme 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

Mr George Dassis President of the employees Group, European Economic and Social Committee, (EESC) opened the conference speaking about what the EU stands for and its role in consumer affairs, with the aims of harmonising legislation between member states, law enforcement, progress and not least social inclusion and solidarity through community measures.

He spoke about the need for a fair level tract when referring to the Financial Transactions Tax if it is to be effective; however there is still disagreement between member states. He concluded by referring to the forthcoming European Parliament elections, which will mark if EU citizens believe in the EU and at the same time can prosperity and cross-border cooperation in a unified EU

The Mayor of Thessaloniki spoke about consumer protection and more transparent consumer rights enforcement. He emphasised the importance of the need to have more informed consumers, especially in times of crisis, where we are witnessing violations of human rights, overindebtedness, rising unemployment, in particular among young people

Nikolaos Tsemperlidis, President of the Consumers Protection Centre (KEPKA) stated that long term crisis cannot be used to justify the lack of the social dimension in addressing the crisis.

Studies reveal that market surveillance mechanisms at EU level, especially in food safety is 46% less effective, while 56% do not believe that product safety has improved. 86% are concerned with payment of water and electricity bills. EP elections should address issues concerning consumption vis-a-vis consumer protection

Luca Jahier, President of the Various Interests Group, EESC, chairing the first panel discussion speaking about the role of civil society participation in times of crisis. Citizens are buying cheaper goods but not necessarily of better quality. It is crucial that the next steps ensure economic growth and the creation of jobs

European Commissioner for Consumer Policy, Mr Neven Mimica made a strong intervention questioning what we are celebrating or marking or should we be thinking out of the box for better consumer policy. Tracing the development of the European Consumer Day over the years, he stated that when consumers are under pressure they should not be exploited. The Commissioner believes that market surveillance, product safety, consumer confidence and good value for money are the key aspect of consumer protection. He referred to the 9 areas that define poverty emphasising that rent and mortgages have been the worst hit by the crisis. He listed the five priorities that the Commission will be working on:

Firstly, product safety and market surveillance.

The second priority is raising consumer awareness, which will be addressed by an EU information campaign that will require the support of networking of consumer associations in member states. The campaign will also make use of a tool-kit for national organisations, an online tool of best practice, e-learning courses and training in national languages

The third priority is ensuring proper enforcement and access to redress and effective protection not only through court proceedings, but rather in out-of-court settlements. He spoke about an alternative online consumer redress and the need to implement it in a correct and timely manner. Referring to consumer collective redress, he said that regrettably it has been reduced to a Commission Communication as agreement on its full implementation by stakeholders failed to be reached

The fourth priority is making sure that, through the setting up of the network system of collaboration between National Consumer Authorities and Consumer organisations in Member States and the EU Commission, progress in areas such as product safety, consumer confidence, energy (and energy poverty) financial services and telecommunications can be measured and shortcomings addressed.

As part of this initiative, Commissioner Mimica, will be visiting member states, meeting National Authorities and Consumer Organisations to discuss the potential for improvement. The need to enhance initiatives on economic issues – consumer consumption and demand in particular, will be addressed in parallel during the discussions. He concluded by stating that the Commission will be making a recommendation that progress in consumer protection and empowerment need to be addressed and evaluated in the EU Semester and in the Country Specific Recommendations

Ms Sylvana Rapti, Head of the S&D delegation, European Parliament stated that if we are still marking Consumers Day all is not well. In the face of the huge dimension of competition, it is more than ever important that the democratic and social concepts be the basis of consumer protection. She expressed her disappointment that because of some legalities the proposal for a regulation on Collective Consumer Redress had to be reduced to a Communication instead of a more legally binding measure. She also spoke about the improvements currently under discussion in the ‘Small Claims Procedure/ Order for Payment Regulation’ that can be solved by out-of-court mechanisms which will be of benefit not only to consumers but also to SMEs

Other interventions were made by Fatima Sahin from EUCommerce covering also SMEs and retailer. She stated that 8000 new products are on the EU markets each year which makes it very difficult for consumers to make informed choices. Confidence,

protection, availability, price-value for money, mutual recognition and respect and fair competition are the essential elements for better consumer-retailer relations.

Mr Jerome Chauvin Director for Legal Affairs and Internal Market, **BUSINESSEUROPE**, spoke about the need to spend more time on monitoring how laws are being enforced. When in Europe, 25% crossborder selling takes place and is on the increase, full harmonisation is important. Dialogue, better consumer understanding and digital developments are opportunities for boosting consumer and business confidence. Finally he spoke about the importance of the link between online shopping and Internet penetration in Member States to develop the Single Market. However not all citizens have access to online products and services. There is the need of trust on both sides.

Consumer protection policy requires continuous development. Rights on paper are not enough. Differences between member states, roles of different authorities result in confusion of powers. We need to be talking about consumer knowledge rather than consumer information

Another important speaker was Ms Daphina Spanou, Director for Consumer Affairs, European Commission. She spoke of the Commission preparatory work for the next five years. This includes capacity building for National Authorities, Consumer Organisations and Citizens. There are other areas including the process of enacting new legislation, amending current legislation, dialogue and monitoring implementation. As examples she referred to the need for clear contracts regarding rights of withdrawal from purchase within 14 days, how to consumers can be trained to address complaints, consumer awareness of services such as out-of-court settlements of consumer disputes. The electronic system referred to earlier regarding Consumer Cross-border redress is targeted to be implemented in 2016.

Ms Evangelia Kekeleki, Secretary-General of KEPKA and member of the EESC presented the results of studies carried out by KEPKA whose objectives were to identify the problems of Greek citizens of different ages and coming from different sectors of society during the financial crisis

She spoke about the needs of vulnerable groups, elderly people, children from poor households, the long-term unemployed, the sick, minorities, the disabled in their everyday life needs. Relocation of industries to countries where labour is cheaper, products transferred from one country to another resulting in different prices. Consumer policies should be seen as a solution to the crisis and not as a problem. Finally she spoke about the need for a European Observatory of prices to be set up.

Other speakers included Mr Dimitrios BAKATSELOS, President of the Thessaloniki Chamber of Commerce and Industry, Mr Christos POLYZOGOPOULOS, President of the Economic and Social Council of Greece, Ms Reine-Claude MADER, Spokesperson of the Category "Consumers and environment", EESC, Mr Kostis HATZIDAKIS, Minister for Development and Competitiveness and other representatives of Consumer and Competition stakeholders

Questions from the floor asked for clarification of proposals, practical measures to be taken and the need for concerted efforts of all stakeholders including consumers

themselves. During the concluding session Martin Sieker, President of the INT Section, EESC made a very impressive presentation addressing "*Appropriate treatment of over-indebtedness*". In his own words " we need change, and I mean real change, not just a cosmetic one. But change is dynamic and sometimes it can be quite scary. Indeed, many people are afraid of change. Nevertheless, we need to overcome that fear, otherwise we will end with regret, which is far worse, because fear is only temporary, but regret lasts forever".

In conclusion Henri Malosse, EESC President stated that the recommendations made during the conference must be developed in practice and remain of value in the long-term also. However this depends on the collaborative efforts of all stakeholders at national and EU level to put the citizen at the centre of their initiatives

Grace Attard
General Secretary
Association for Consumer Rights
Bureau Member of the EESC and
Member of the EESC Category on Consumer Rights