



The Consumer Voice in Europe

Harmonisation as a principle for Single Market legislation

The consumer perspective

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EU Harmonisation has brought solid progress for consumer policy

1. Important number of legislative initiatives that have delivered or will deliver benefits for consumers. Illustrations are – randomly :

- Reach regulation for safety of chemicals
- Regulatory framework for CO2 emissions
- Unfair Contract Term, Consumer Rights,
- General Product Safety
- Eco Design
- Payments Accounts
- Mortgage credit, consumer credit

 for consumers, EU harmonisation is a major success story. A pity that EU consumers are not aware of it.

Harmonisation delivers to consumers when it aims at the highest level of protection

- The best contribution of the EU to the consumer protection framework in the member countries happens where the best practices of some member states are taken over by others : upwards harmonisation is the way to go
 - Ban of commissions in financial services in the UK and NL
- Harmonisation that does not take account of a better protection of consumers in some countries is a source of consumer frustration and fuels anti-EU sentiments
 - Health and nutrition claims regulations vs DK

 upwards harmonisation is the only approach to deliver consumer trust

EU harmonisation of consumer protection supports international convergence

- EU position in international negotiations (bilateral trade, WTO) is reinforced when backed by a harmonised approach
- EU consumer protection harmonisation allows EU to work towards setting the global standards
 - Current developments on digital trade (e-commerce)

Full or minimum harmonisation ?

- Full harmonisation is a win-win where it takes place at the highest level of consumer protection : strong single market with high level of consumer trust
- To be activated only where it is needed, eg in cases where there is no pre-existent regulation in MS :
 - Digital Content Directive
 - Transfats
- Much more delicate where in MS there is a diverse strong acquis of consumer protection : approximation of laws should be the way forward, leaving space for regulatory freedom of MS in the more sensitive cases. Therefore EU approach for minimum harmonisation, or mixed harmonisation is the best way forward
 - Consumer rights directive
 - Sales directive (duration of legal guarantees)

Is consumer protection costly?

- The estimated costs of complying with the directives are proportionate when compared to annual turnover and with the significant benefits they bring for the functioning of consumer markets.

European Commission: Executive summary of the REFIT Fitness Check (2017) , page 3.

- The estimated overall costs of regular compliance checks amount to approximately 0.024 % of the annual turnover for business , including SMEs.

European Commission: Report on the Fitness Check of EU Consumer Law (2017), p. 54.

- In a 2012 analysis, EU rules in the area of consumer protection were considered the second least burdensome area by SME respondents among the 32 surveyed areas.

European Commission: Report on Fitness check of consumer and marketing law (2017), p. 79.

💣 Attitude criticizing minimum harmonisation but blocking high level consumer protection at EU level to be reconsidered

Need to take harmonisation to the next level

- Harmonisation of laws is only one step to a single market for consumers
- Need for a harmonised enforcement culture
 - Harmonised remedies are part of the solution
 - Need for coordination between authorities (CPC a strong tool)

 upwards harmonisation is the best approach to deliver consumer trust