

John Dalli

Member of the European Commission, responsible for Health and Consumer Policy

Commissioner Dalli delivers speech at the European Economic and Social Committee Plenary Session

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Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

John DALLI, European Commissioner for Health and Consumer Policy, attends the European Economic and Social Committee (EESC) Plenary Session

European Parliament - Brussels, 23 May 2012

Mr President,

Members of the Committee,

Ladies and Gentlemen,

First of all I would like to thank the European Economic and Social Committee for inviting me. It is a pleasure for me to be here with you today.

I always appreciate your useful contribution to the policies within my portfolio, directly affecting the daily lives of European citizens.

Let me first thank you for the thorough work which you have undertaken recently on the Commission proposals for the future Health Programme and the Consumer Programme, initiatives of fundamental importance, as they will financially underpin the Commission's ambitious objectives in the field of Health and Consumer policy from 2014 to 2020.

We have carefully noted your comments.

Your constructive input and overall support for the objectives of the Health Programme, dedicated to helping Member States make their health systems more innovative and sustainable, is particularly appreciated. I am confident that we will reach a compromise that is satisfactory to all.

Today I would like to focus on consumers. I am happy to announce that yesterday the Commission adopted the European Consumer Agenda, which lays out a strategic vision for consumer policy for the years to come.

In these challenging economic times, we must keep sight of the objectives of Europe 2020 – the Commission's strategy for smart, sustainable and inclusive growth. The Consumer Agenda is our direct contribution to achieving this goal, through evidence-based policy-making which places European Consumers at the very heart of the European Single Market.

The Agenda is built around the notion of "consumer empowerment" across all relevant Commission policies.

We must provide safe products and equip consumers with the rights and the necessary tools to make informed and meaningful decisions. In this way we can facilitate and maximise their active participation in the market and make it work for them.

An efficient consumer policy also benefits reputable and innovative businesses by providing a level playing field with true and fair competition that can stimulate growth.

The Consumer Agenda is based on 4 pillars:

Improving consumer safety;

enhancing knowledge;

Improving implementation, stepping up enforcement and securing redress;

Aligning rights and key policies to economic and societal change.

Let me address each of these in more detail.

First – ensuring consumers' safety is a fundamental part of consumer policy that must always be given the highest priority, especially in view of the constant evolution of the markets and the increasing globalisation of production chains. We intend to work closely with our main trading partners to ensure safety at source, irrespective of the place of production. The cooperation with the customs authorities is growing, which also helps stop more dangerous products already at the borders.

Effective enforcement in the field of safety is all the more important in this time of crisis, when the resources of national authorities are under great pressure, and suppliers might be tempted to compromise on safety.

We have seen excellent results in the co-operation between Member States so far and we can "safely" say that we have a good, working system:

The projects funded by the Commission and co-ordinated by Prosafe – such as those for toys, sun beds or protective headgear – have created a good platform for sharing and further developing information and expertise.

The EU rapid alert system, RAPEX, facilitates the rapid exchange of information between Member States and the Commission, on products posing a serious risk to health and safety.

We are constantly considering how we can further improve product safety levels and the European market surveillance framework, to the benefit of both consumers and businesses.

I am currently working with Vice-President Tajani on a proposal for a package that includes a revised General Product Safety Directive, a Single Market Surveillance Regulation and a Multi-annual Market Surveillance Plan.

The aim of the Package is to improve consumer protection by ensuring the coherence of the existing product safety rules, rather than creating new ones. It will simplify the work of Member States and help avoid divergence in the enforcement of EU product safety rules. It will strengthen the internal market, lower compliance costs and prevent free-riding by rogue operators.

In the context of the revision of the General Product Safety Directive, the Commission is exploring the possibility of establishing a central co-ordination forum – a structure to ensure efficient co-ordination - not a new institution or agency.

With this revision we have a unique opportunity to address current challenges and to put in place an even better framework for ensuring product safety in Europe.

We also plan to present a Green Paper on the safety of services for next year.

In parallel, we are looking to reinforce food safety. This year we will review the Regulation on Official Controls along the Food Chain and also plan to update the legal framework governing animal and plant health, and the Food Hygiene Regulation.

The second pillar of the Consumer Agenda highlights the importance of consumer knowledge through better information and education.

Consumers must be made better aware of their rights and have easy access to transparent and reliable information to cope with an increasingly complex market environment.

Achievements have already been made through rules on unit pricing, food claims, nutrition labelling, traceability and labelling of genetically modified products. We will continue to organise awareness-raising activities with Member States and stakeholders on key consumer issues, making optimal use of our ECC-Network.

We also need to ensure that the filters – such as price comparison websites and product testing bodies – to which consumers increasingly turn, are trustworthy and truly unbiased.

As announced in the e-Commerce Communication, the Commission plans to address the issue of transparency and reliability of information intermediaries through direct dialogue with stakeholders. As a first step, a workshop on comparison tools is organised as part of this year's European Consumer Summit.

At this point I would also like to highlight the important role consumer organisations have to play, in informing and raising the awareness of consumers but also in effectively representing and defending them.

The development of an influential consumer movement calls for commitment both from public authorities but also from national consumer representatives. This is clearly recognised in the Consumer Agenda.

The Commission will continue to financially support EU level organisations and provide national consumer organisations with capacity-building support through a revised training programme. Whilst financial support to national consumer organisations remains the responsibility of Member States, we will continue to work with national authorities to ensure that the role of consumer organisations is properly recognised and promoted.

Alongside information, providing young people – tomorrow's consumers – with basic consumer education is also important if we want to improve consumer knowledge and skills in the longer-term.

We are currently rethinking our approach to education and plan to work much more closely with national stakeholders through an online interactive platform. This will serve as a tool for teachers to exchange best practice and share consumer education materials, covering issues such as consumer financial literacy, new media technologies and sustainable consumption.

Third. Improving implementation, stepping up enforcement and securing redress are key areas to ensure that all the legislative work undertaken at the EU level translates into a credible and workable framework for consumers. Rights are of little use if they are not enforced. And that is why the remaining pillar of the Consumer Agenda is dedicated to guaranteeing effective redress and enforcement.

I welcome your interest in our proposals on Alternative Dispute Resolution (ADR) and On-line Dispute Resolution (ODR). These initiatives are key instruments for helping consumers to get redress quickly, out-of-court, and at a low cost when things go wrong.

The proposals aim at ensuring full coverage, compliance with certain quality requirements and consumer awareness about the ADR options available, without creating new ADR procedures. They build on what already exists in the Member States and fully respect their individual traditions.

The ODR proposal will establish, for the first time, a central online platform for consumer complaint dispute resolution in relation to cross border online purchases. This will serve as a single entry point, enabling consumers and businesses to swiftly solve their problems when shopping or selling online from and to another EU country.

The issue of collective redress will be addressed by the Commission this year. Vice Presidents Reding, Almunia and myself are currently discussing on the approach to take.

Public enforcement is mainly the task of Member State authorities, but I can assure you that the Commission has redoubled efforts to assist Member States by providing concrete guidance.

The Regulation on the cooperation between consumer protection authorities, via the CPC Network, has enabled Member States to resolve several hundred cross border cases and to stop rogue traders that were hiding in one Member State whilst targeting consumers in another.

Through regular sweeps of practices in the on-line business sector we have achieved a high level of compliance and public awareness of the main traps. The Regulation is now under review with a view to making it even more efficient.

Fourth, Consumer rights form another pillar of the Consumer Agenda which addresses the need to align our legislation and key policies to major economic and societal changes. These include the digital revolution, the need to move towards more sustainable patterns of consumption and the specific needs of vulnerable consumers.

The EU can already take pride in its consumer protection legislation, but our work is far from finished.

In the digital era, we need to ensure that consumers feel as confident shopping online as they do offline and enjoy the same level of protection when a product they bought online is faulty, the information is misleading or the selling methods are questionable.

The recently adopted Consumer Rights Directive creates a level playing field and reduces transaction costs for cross-border traders, especially for sales by internet.

Indeed, we now need to reap the potential of e-commerce. If e-commerce grew to 15% of total retail sales, the welfare gains for consumers from e-commerce in goods alone would be around 204 billion Euros. That is 1.7% of the EU's GDP, a remarkable prospect for growth, which we simply cannot ignore.

A sector which has been under intense scrutiny over recent years and has a very significant impact on consumers' lives – is financial and banking services.

Consumers need to be aware of the fees they pay for basic banking services and be able to switch easily between banks.

Unfortunately, our recent bank fees study showed that opaque and complex tariffs are linked to higher current account price. Moreover, our evidence shows the self-regulatory code on switching does not work well.

A legislative proposal on bank fees is under way, to help consumers select the provider that caters most to their financial needs. A specific study will also be launched in 2012 on the issue of households' over-indebtedness.

We also seek to assist consumers in exercising their right of choice for sustainable consumption. The Commission is developing methodologies for providing reliable information to consumers on the environmental performance of products and companies.

We are launching a discussion with relevant stakeholders on ways to address misleading environmental claims, to help consumers making green choices. A dedicated workshop on "greenwashing" will therefore be organised as part of this year's Consumer Summit.

Ladies and Gentlemen,

Before I draw to a close, I would like to stress once again that the current crisis cannot and must not be used as an excuse for compromising on our vision for an ambitious, comprehensive and inclusive consumer policy.

Now more than ever the EU needs to take action that improves the lives of European citizens, paying particular attention to the most vulnerable groups.

I am confident that the Consumer Agenda can be the vehicle for reinstating confidence of European consumers in the Single Market and putting Europe back on a growth trajectory.

Thank you very much.