



The Consumer Voice in Europe

Better regulation – for
whom?

a consumer policy
perspective

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Better regulation – Why and for whom?

- EU rules must deliver to its citizens
- European and global challenges require effective policies and legislation in various areas;
- Principles of “Better regulation” are welcome

BUT

- EC’s better regulation agenda starts from assumption of EU regulation as a burden *per se*
 - Not backed up by evidence : there are more benefits than costs with regulation
 - EU law replaces 28 rules : cutting overall burden if any rather than increasing it

EU regulation- why and for whom ?

- For European consumers, European legislation has been a success story since nearly 40 years
- Ambitious consumer policies since the 1980s
 - Good for consumers
 - Good for business
 - Key driver of the Single Market

Better regulation – one year later

- BR agenda is in itself a huge bureaucratic machinery
- Leads to a consultation “tsunami” for stakeholders
- Moving into the wrong direction
 - Unilateral focus on costs for business create major risk of weakening of consumer protection
 - Country of origin labelling of food – Transfats – Alcohol labelling – Financial services regulations – Endocrine disruptors – Consumer remedies under contract law
- More and more evident links with TTIP negotiations & US pressure to engage into “good regulatory practices”: why it is a worry for us

Potential impact on EU functioning

- Regulatory chill for consumer friendly initiatives
- Slowing down the legislative process itself and opening several opportunities to omit any consumer friendly amendments
- Disincentives for Member States to adopt higher standards or to exploit regulatory options in favour of consumers.

Transparency and consultations

- Multiplication of consultations leads to imbalances
 - Only those who have the resources will be able to keep up the pace
 - Too much consultation leads to overrepresentation of corporate interests
 - Need to provide for corrective measures to allow for public interest representatives to participate in the discussions.
- Need for EC to carry its political responsibility to act in the public good.

REFIT

- REFIT : important element of the Better regulation agenda.
- Many consumer relevant areas affected
- EC officially committed not to call into question the objectives of EU laws.

But worrying elements

- methodology for evidence gathering often unilaterally oriented towards business interests.
- Need to look at long term benefits for society, not at short term costs to business
- Regulatory burden reduction targets – highly questionable

Other elements

- Priority for SMEs: Better regulation agenda envisages less burdensome legislation and an outright exemption for micro-businesses, wherever possible : potentially detrimental to consumers
 - Consumers need safe and quality products or services regardless of who produced or distributed them:
- Reduce or stop “gold plating” at national level ?
 - Minimum harmonisation approach in EU has been success story for consumers
 - Its advantages have to be measured against benefits from full harmonisation

Lessons from the VW scandal

- Blatant case of non-respect of European standards by one of the most prominent European brands.
- Demonstrates
 - the lack of enforcement of European rules by national authorities
 - lack of willingness to act by the European Commission be.
- Puts our entire European regulatory system into question
- Consumers need good rules that are promptly enforced.

Better regulation watchdog

- Join forces - Better regulation watchdog.
- More than 50 public interest organisations joined forces to form the Better Regulation Watchdog.



- Mission to monitor BR initiatives and to provide input into these developments
- www.betterregwatch.eu

Conclusions

- EC should take a more balanced approach on how the EU regulatory system can be made better – better for all .
- The EU institutions should place more emphasis on designing rules, once in place, that can and will be effectively enforced irrespective of whether they address competition law, pollution or workers or consumer protection.



The Consumer Voice in Europe

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