

9 June 2010

**MEETING OF MS PAOLA TESTORI COGGI, DIRECTOR GENERAL FOR
CONSUMER AFFAIRS (DG SANCO), WITH BUSINESSEUROPE
DIRECTOR GENERAL**

14 JUNE 2010, BRUSSELS

BUSINESSEUROPE PRIORITIES FOR CONSUMER POLICY

BUSINESSEUROPE promotes a sound and balanced consumer policy that ensures an adequate high level of consumer protection and promotes competitiveness of companies. This policy should ensure:

- A clear and sufficiently harmonised regulatory framework: we support the proposed directive harmonising targeted consumer contractual aspects;
- Effective and even enforcement including adequate consumer redress through better public enforcement and use of Alternative Dispute Resolution mechanisms (ADRs);
- Promotion of alternatives to traditional legislation: self-regulation and co-regulation can offer a more suitable alternative to traditional legislation (e.g. in the advertising sector);
- Improvement of consumer information;
- Promotion of informal dialogue between business and consumers;
- EU policies accompanied by accurate consumer data and statistics.

1. ON ENFORCEMENT OF CONSUMER RIGHTS

Consumer protection and confidence is important for the well functioning of the Single Market and the competitiveness of companies. This cannot be accomplished without adequate and effective enforcement of the laws setting the rights and obligations between consumers and traders. Good enforcement is a matter of general public interest. It guarantees fair competition, legal certainty and more confidence among all economic parties. Enforcement must be understood in a wide sense covering a broad spectrum of instruments.

We support effective enforcement of consumer laws, for instance through:

- Better public enforcement, streamlining and raising awareness of existing instruments (e.g. injunctions directive, mediation directive, small claims regulation);



- Improving the dialogue between companies and consumers and complaint handling mechanisms;
- Stronger cooperation between national public enforcers through the consumer protection cooperation network;
- Promotion of out-of-court dispute resolution tools like mediation, arbitration and SOLVIT;
- Improving consumer information, education and assistance;
- Improving the quality of new laws and their national transposition;
- Stepping up international cooperation.

We do not believe that there is justification for EU legislative action obliging Member States to introduce judicial collective redress mechanisms. In the light of the principle of subsidiarity and the complexity and diversity of national judicial systems, this decision should be left to Member States. They are in a better position to choose, depending on their legal traditions, means of effective redress.

We support the promotion of ADRs in Europe. Compared with judicial means, ADRs can provide faster, cheaper and easier settlement of disputes whilst avoiding risk of abuses.

2. ON PRODUCT SAFETY

Product safety is key for companies. BUSINESSEUROPE believes in the need for regulators to be vigilant to fight safety risks to their citizens. Companies are themselves also committed to the highest standards in this regard.

BUSINESSEUROPE strongly supported the adoption of the New Legislative Framework for the marketing of products in 2008, which amongst other things, created better rules on market surveillance to protect both consumers and professionals from unsafe products, including imports from third countries. It also enhanced confidence in and quality of conformity assessments of products and enhanced the credibility of EC marking.

BUSINESSEUROPE is currently in the process of preparing a response to the public consultation on a possible revision of the General Product Safety Directive (GPSD).

We will also organise an event at the end of September in the European Parliament to present BUSINESSEUROPE's views on what is required for a well functioning Single Market for goods. Product safety will feature at this event.

On the revision of the General Product Safety Directive (GPSD) BUSINESSEUROPE believes that:

- The product safety regulatory regime must give predictable outcomes for enterprises that abide by the rules;



- While market surveillance authorities should always have an option of last resort to correct situations causing immediate and severe danger, overruling existing legal product requirements must be reserved for highly exceptional situations only;
- We believe that a revision of the GPSD should generally strive for a more consistent overall regulatory framework and not focus on GPSD legislative technicalities in isolation;
- Permanent product requirements must be defined only under the New Legislative Framework (using democratic procedures); the GPSD with its comitology-based rule making process must limit itself to the immediate management of sudden, severe risks including temporary product requirements;
- Close coordination will be needed between DG SANCO (responsible for the GPSD) and DG ENTR, (author of the New Legislative Framework).

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