



Conference report

Consumer Policy after EU Accession: What Impact and Future Challenges?

Morning session

Paolo Martinello, BEUC President, opened the session by pointing out that this conference, organized 4 years after the last EU enlargement and a few weeks before the start of the Polish EU Presidency, aimed at discussing the impact and future challenges of EU consumer policy. He underlined that BEUC had just carried out a study on the state of play of the consumer policy environment in Central, Eastern and South Eastern Europe (CESEE) which will be used to support BEUC's strategy and recommendations for action in this region.

Olesia Fraczek, Vice-President of Federacja Konsumentów, then addressed what had changed in consumer policy after EU accession. She explained that in order to tackle the problems that still exist in the Polish market, consumers' organisations need more financial support as well as closer cooperation and co-ordinated actions, in particular with public authorities or traders.

The EU Commissioner for Health and Consumer Protection **John Dalli**, conveyed by video message his main ideas for the future European Consumer Policy. He insisted on the need to design the post 2013 strategy with a forward looking and finely-tuned agenda likely to benefit consumers and as a result, to boost the economic growth. In this context, the key priorities of the Commission will be consumers' empowerment and enforcement of consumer legislation through a policy focused on safety, clear information, and adequate access to redress. Commissioner Dalli finally highlighted the pivotal role of the EU and national consumers' organisations. Besides the importance of adequate levels of expertise and means to act on behalf of consumers, he stressed the need for effective participation of consumers' organisations in policy making and close collaboration with national authorities. The main objective for Commissioner Dalli in this respect is to ensure that the representation of consumers' interests is taken properly into account in all relevant policy areas.

Marcin Korolec, under-secretary of State at the Polish Ministry of Economy, addressed the priorities of the incoming Polish Presidency, the state of play regarding the implementation of the EU Directive on services and the need for a closer collaboration between Member States to overcome the economic crisis. When mentioning the Single Market Act, he indicated that the next Single Market Forum will be held in Krakow in autumn 2011 where representatives from Member States, business and consumers' organisations will be invited to take stock of the development of the Single Market. During the discussion with the audience, he stressed that the Polish Presidency will do its best to make progress on issues related to the digital agenda (digital content, intellectual property rights, copyright licensing, etc) as the

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potential in this area represents 4% of the total GDP. BEUC members expressed concerns on the revision of the Consumer Rights Directive (i.e risks that maximum harmonisation undermines consumer rights in some member states) and on the optional instrument for European contract law. Minister Korolec answered that this dossier was high on the Presidency's agenda. A representative from the Ministry of Justice responsible for contract law intervened as well underlining that the Polish Presidency is keen on the Commission to carry out a detailed impact assessment before action is taken.

Róža von Thun und Hohenstein, MEP, IMCO Committee, also stressed the need for an active, attractive and efficient European Single Market. In that sense, she indicated that the Polish Presidency will be a unique opportunity to shape the debate on the reform and to propose concrete actions for stimulating growth and ensuring that promised benefits are effectively delivered. She mentioned other important dossiers for her work as MEP such as roaming, European professional card, EU patent, as well as several initiatives to connect the EU closer to citizens, such as "your Europe" and "Solvit".

The Vice President of the Office of Competition and Consumer Protection (*UOKiK*), **Jarosław Król** closed the morning session emphasizing the role of *UOKiK* in Polish consumer policy. Being responsible for the enforcement of competition and consumer legislation, *UOKiK* carried out several reforms with the empowerment of Polish consumers as final objective. After having mentioned key achievements in relation to consumer credit, abusive clauses and violation of consumers' rights, he presented the *UOKiK* guidelines for 2010-2013. He concluded his intervention with a short discussion on the Directive on package travel and underlined the need for comprehensible and easy-to-handle information for consumers. M. Król finally announced the organization of a "Competition and Consumer Day" on 24 and 25 November in Poznan.



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Press conference

The press conference was attended by several Polish journalists and was dedicated to the question "**How to make a Single Market for consumers a reality?**". While Olesia Fraczek (FK, Poland), Roza von Thun (MEP, Poland) and Grazyna Rokicka (SKP, Poland) focused on the situation of the Single Market for European and Polish consumers, Marcin Korolec (Under-Secretary of State in the ministry of Economy, Poland) and Paolo Martinello (BEUC's President) addressed the priorities of the Polish Presidency and consumers' most important concerns in relation to pending EU legislative initiatives. A broad range of topics were raised including consumers' empowerment and redress, the digital agenda, e-commerce, transparency of bank fees and product safety. Jacqueline Minor (European Commission, DG for Health and

Consumer Protection) finally highlighted the central role that consumers' organisations play in terms of consumer protection and education as well as in policy shaping. She concluded saying that although there is still a gap between the consumer environment in old and newer member states, consumers' organisations are key market players for maximising consumers' benefit, advancing consumers' empowerment, counterbalancing the arguments of other stakeholders and ensuring a well functioning Single Market.



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Afternoon session

Grazyna Rokicka, President of SKP - Association of Polish Consumers - opened the afternoon session with her presentation on the current experience and perspectives of the Polish consumer movement stressing that in uncertain markets, consumer organisations do not only work for consumers but for also for other stakeholders and the whole economy. Notwithstanding, she said the situation of consumer organisations could hardly be called sustainable with many consumer organisations struggling for survival. Therefore an official consumer policy with well defined procedures and an ambitious level of funding of consumer NGOs by the government was asked for.

Subsequently, **Breda Kutin**, President of the Slovenian Consumers' Organisation (ZPS) and Vice-President of BEUC, facilitated a panel discussion with panellists representing various stakeholders and addressing the way forward for consumer policy in Central, Eastern and South-Eastern Europe. She referred in particular to the Vision Paper and study developed by BEUC to define a strong policy and strategy for the development of the consumer movement in this region.

Jacqueline Minor, Director of Consumer Affairs at the Directorate General Health and Consumer Protection, European Commission, opened the panel underlining that the 20-year old consumer movement in the Central, Eastern and South Eastern countries was not comparable with the long-standing movement in the Western and older member states. Despite this dividing line, she indicated that Poland was doing quite well. Although acknowledging funding as a problem, she stressed that consumers' organisations should develop a strong voice speaking with their national governments and EU level deploying skills, knowledge and arguments. She prompted national organisations to expand their role beyond advice and to participate in the policy debate and added that consumers' organisations should also be more involved by national governments. The Commission's role was in persuading national governments to involve better the national consumer movement and to make available the resources to do so rather than in direct funding of national consumers' organisations. She however

pointed out that in addition to the TRACE training programme she saw other means of indirect support such as coaching, twinning exercises, putting levy on newly liberalised industries (according to the model developed in the UK for the funding of Consumer Focus), developing money-earning strategies, business training and increasing communication on empowerment. She assured that the European Commission will address the role of consumers' organisations and propose capacity-building initiatives in its next Consumer strategy. Another important tool is the annual growth survey, where the Commission is considering to introduce a reference to consumer policy and consumers' organisations.

Krystyna Krawczyk, Director of the Insurance Ombudsman Office, started her intervention by describing her organisation's fields of work ranging from accepting and examining claims, informing the Office of Competition and Consumer Protection in case of any infringements, to filing motions to the Supreme Court. She confirmed that many organisations in Poland were struggling for money, and stated that life of consumers in Poland was quite tough lagging behind in terms of facilitation. At the same time, she raised her concerns that in Poland, consumers were rather passive and thus reluctant going to court mainly due to long lasting procedures.

Olesia Fraczek, Vice President of Federacja Konsumentów (Polish Consumer Federation), called upon a closer collaboration with different stakeholders - and also with BEUC. She mentioned that over the years, consumers' organisations had managed to make existing with scarce and inadequate funding into a fine art, but added that it was essential to keep being creative because money was not always enough. Several examples of collaboration with students of legal faculties, with interpreters, volunteers and associations of direct sales underpinned this. She also indicated that there was a fruitful cooperation with the German Verbraucherzentrale Brandenburg, as well as consumer advice centres established in the premises of major retailers (AUchan).

Louise Hanson, Head of Advocacy at Which? (UK), recommended from her experience that in order to successfully influence policymaking, consumers' organisations should offer views and insight that policymakers really need. They should make themselves an essential voice in national debates. She also urged small organisations with limited resources to prioritise what issues where they could achieve the most change and develop a well-defined strategy including business plan. Furthermore, other sources of earnings should be sought such as magazines, paid for services and legal services.

Grazyna Rokicka, President of SKP - Association of Polish Consumers, mentioned in her second intervention, that a more consumer-friendly environment was asked for with a consumer policy defining a clear concept of the role of consumers' organisations. In order to pace government understanding of consumer policy, she expressed her wish for BEUC to encourage closer co-operation between the European Commission and national governments on issues related to consumer policies. She added that her organisation was trying to cooperate with different stakeholders and searching for new sources of funding. As an example, she explained the *Good contracts* project her organisation is working on and which aims at rewarding businesses with an official certificate or label for drawing up contracts according to consumer law.



Anna Fielder, independent consultant who carried out BEUC's study in Central, Eastern and South-Eastern Europe, said it had to be recognised that given the difficult circumstances in these countries, some consumers' organisations had made remarkable achievements. She remarked on the free service in many countries and cautioned that consumers' organisations tended to spread their work topics too widely with too thin a money coverage. She added that national governments should overcome focusing only on retail markets and rather look at the global markets. She concluded by suggesting a more professional business-orientated approach for consumers' organisations in order to achieve a balance between giving advice and making money.

Asked how the Commission could encourage governments to integrate consumer policy, **Jacqueline Minor** finished the discussion by mentioning that the consumer strategy programme was currently subject to revision. She stressed that in visiting all 27 member states, Commissioner Dalli was raising realisation of national governments about consumer policy, and that in revamping the consumer policy strategy, the Commission aimed at getting consumer policy taken into consideration in all legislation. She also announced that the Commission would issue in early 2012 a Communication on consumer empowerment.

Breda Kutin closed the roundtable discussion by thanking the panellists and pointing out that as a result of the conference, BEUC would adopt and widely disseminate a "Warsaw Declaration".

Paolo Martinello, BEUC President, said in his closing speech that a well functioning EU Single Market calls for an ambitious and effective consumer policy. Such a policy needs strong and independent consumers' organisations. Seven years after EU accession the consumer movement in Central, Eastern and South Eastern Europe is still in need of substantial support because consumer policy still has the rank of a poor cousin. He added that consumer protection often plays the second fiddle to the more powerful industry interests, both in terms of resources and influence at the highest levels, while the implementation of a proactive consumer policy is in the interest of the whole economy. He declared that while the commitment expressed by all panellists to empower consumers' organisations and increase their involvement in the decision-making processes was certainly welcome, it was crucial that this commitment be translated into ambitious and concrete actions in order to identify the way forward for consumer policy in Central, Eastern and South Eastern Europe.

This conference was held on 19 May 2011 under the auspices of the Minister of Economy of Poland, the Office for Competition and Consumer Protection, the Representation of the European Commission in Poland, the Mayor of Warsaw and the Polish Centre for Testing and Certification.