

Ms Teresa Ribera Rodríguez
Executive Vice President for
Clean, Just and Competitive
Transition
European Commission
Rue de la Loi 200

B-1049 Brussels

BEUC-X-2024-095

Brussels, 01/12/2024

Subject: The Consumer Mission Letter

Dear Executive Vice President Ribera Rodríguez,

On behalf of BEUC, The European Consumer Organisation, I wish to congratulate you on your recent appointment as Executive Vice President for Clean, Just and Competitive Transition. Created in 1962, we represent 44 national consumer groups from 31 European countries. Thanks to our members' markets watchdog role, their product testing and daily contacts with consumers from across Europe, we can support you with evidence to back up policies to ensure the European economy delivers to consumers.

As consumer groups, we are convinced that the green transition is an opportunity to improve consumers' lives. We were therefore very pleased to hear you clearly state during your hearing that it was crucially important for the EU to stay the course on the EU Green Deal. We also very much agree that, rather than weakening our ambition, the incoming Commission should focus on discussing "the pathway" to reach our climate and energy targets.

We also support the idea of a new approach to competition policy that allows European consumers and businesses to reap all the benefits of effective competition and is better geared to our common goals, including decarbonisation and a just transition. We agree with the aim of ensuring a level playing field where business has the incentive to invest, innovate and grow and helps to protect consumers from rising prices and lower quality goods and services. Consumer organisations can, and must be, part of the review of competition policy because they have a direct link to millions of European consumers and so can facilitate citizen participation in the Commission's work and help to ensure that Commission proposals are evidence-based.

Consumers' proposals for your mission

Consumer proposals on the green transition

The success of the future Clean Industrial Deal will heavily depend on consumer engagement. Clean technologies have an essential role to play in enabling consumers to switch from fossil-

fuelled based lifestyles to decarbonised ones. The future Action Plan should therefore include demand-side measures aiming at pushing the uptake of battery electric vehicles, heat pumps and PV panels.

During your hearing, you also stated very clearly that bringing down energy prices and fighting energy poverty would be priorities of your mandate. To enable consumers to take full advantage of the ramp up of renewable energy, it will be essential to give them more access to new market offers, such as flexible electricity consumption. The new Commission should also focus on housing renovation as better insulation is the best way to shield consumers from high heating and cooling bills.

Boosting clean technologies and services against fossil-fuelled ones will require a correction of taxation and price signals. The European Commission should notably issue guidance on how to address the high charges and levies borne by electricity. The future entry into force of the Emissions Trading System for road transport and buildings means that consumers will directly feel the effect of carbon pricing. The Commission should give very clear guidance to Member States that revenues from the Emissions Trading Scheme 2 – notably through the Social Climate Fund – should entirely flow back to consumers and help them engage in the transition.

The development of a clean circular economy should put a strong emphasis on the uptake of sustainable products. The EU has recently adopted a revision of the Ecodesign for sustainable products regulation which paves the way for making sustainable products the norm. The European Commission should therefore adopt product-specific rules, especially in the domain of textiles.

Finally, The Vision for Agriculture and Food must address food consumption and spell out how the EU and Member States will make healthy and sustainable diets the easy and affordable choice for all consumers, as recommended by the Strategic Dialogue. This is key to meeting the EU's health and climate objectives. Market-based tools such as certification schemes can bring new opportunities to reward farmers for sustainability. It should be guaranteed that European citizens are not paying twice for the transition, a first time as taxpayers (through the CAP) and then again as consumers (through certified products with a price premium). If carbon pricing is considered for agriculture, compensation mechanisms should be in place for lower-income households.

Consumer proposals on competition policy

In the field of competition policy, we would encourage you to pursue a merger control policy that prevents further harmful market concentration which allows companies to get so powerful that they can harm consumers. Specifically, the Commission must pay more heed to the reality of critical consumer-facing markets which affect the daily lives of EU citizens. These must include AI and the agri-food supply chain. The Commission must also close the current loophole in its ability to address the risks to innovation and competitiveness in the EU posed by killer acquisitions. Merger policy should be modernised to capture contemporary needs without however undermining its fundamental, evidence-based principles.

Second, the Commission should improve and strengthen the antitrust procedural framework to tackle the challenges in today's markets and to promote competitiveness and better protection of consumers. Specifically, the Commission must revise competition law procedural rules at EU level (Regulation 1/2003) to accelerate investigations and decisions, including through the appropriate use of interim measures, ensure all appropriate evidence is taken into account (including financial analysis and behavioural insights in cases involving consumer-facing markets), improve the effectiveness of remedies and ensure consumers can have easier access to damages, and restitution in cases closed with commitments or settlements, inter alia through amendments to the Damages Directive to include consumer collective redress or the inclusion of EU competition law in the Representative Actions Directive Annex 1.

Third, a European Competition Tool (market investigation tool) should be introduced allowing a properly resourced Commission to take action to restore or introduce competition in markets that are not performing for consumers and SMEs or lack competitiveness as a result of harmful market structures, characteristics or practices that cannot easily be tackled under Articles 101 (anti-competitive agreements) or 102 (abuse of dominant position) of the TFEU.

Fourth, effectively enforce the DMA. The credibility of the EU's ability to regulate digital markets is at stake here and the DMA's success or failure is being watched around the globe. The Commission must have sufficient resources and the necessary specialist expertise to make the DMA a success and deliver on its promise for European consumers and businesses.

Finally, the Commission must ensure that boosting competitiveness of European business does not undermine consumers' choice, quality and value for money. Competition policy must remain an essential instrument to protect consumers in our social market economy.

The way forward

We are aware that you have a busy agenda but hope that you will find the time to meet with us. We would be keen to hear your reaction to our proposals and would like to elaborate more about what European consumers expect towards Europe's decision makers.

We would be very happy to provide you with information about the consumer perspective concerning any initiatives or issues in your policy areas.

Please find enclosed our priorities for this new Commission.

I wish you a most successful mandate.

Yours sincerely,

Agustín Reyna
Director General

Encl.: *Europe, Consumers Count on You – BEUC priorities for the next European Commission (2024-2029)*