


BUSINESSEUROPE



# **Proposal for a directive on consumer rights: the business perspective**

## **ERA Annual Conference on European Consumer Law**

# BUSINESSEUROPE: 40 members in 34 countries

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# What is BUSINESSEUROPE?



- ✓ The Confederation of European business, representative of more than 20 million small, medium and large companies
- ✓ A Social Partner

## Mission

- ✓ “Actively promote and represent business in Europe”
- ✓ “Advocate a favourable and competitive business environment to foster sustainable economic growth”

## Purpose

- ✓ Influence EU policies to create a business-friendly environment

## Pillars

- ✓ Members FIRST
- ✓ Staff: about 50 persons
- ✓ Supporting network of 33 companies (ASGroup)
- ✓ Alliance for a Competitive European Industry
- ✓ European Employers Network



# EU consumer policy: key to the Single Market

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- Clear and understandable regulatory framework
- Effective and even enforcement
- Right balance between the interests of companies and an appropriate level of consumer protection
- Better consumer information and education
- Improved data and knowledge on consumer patterns
- Dialogue between business and consumers



# Assessment of the proposal (1)

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- Minimum harmonisation directives led to a fragmented regulatory environment
- Traders face higher compliance costs and legal uncertainty, some reluctant or simply do not engage in cross-border sales
- Single Market is underdeveloped for B2C transactions
- A more harmonised regulatory framework governing B2C contracts can improve the situation
- A directive with targeted full harmonisation is the best tool



## Assessment of the proposal (2)

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- Direct benefits for ALL!
  - For the Single Market and the economy:
    - removing barriers caused by the disparity of national rules
    - enhancing competition in domestic and cross-border trade
    - facilitating cross-border enforcement
    - increasing legal certainty and easier communication



# Assessment of the proposal (3)

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- For businesses:
  - lower compliance costs
  - more legal certainty
  - more cross-border opportunities
  
- For consumers:
  - increased confidence benefiting from more common rights and level of protection across EU
  - easier access to products and services
  - wider choice and more competitive prices



# **BUT more work is needed**

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- to clarify: scope, interaction with other Community legislation or impact on national legal orders
- to amend the proposal in order to:
  - strike a fair balance of interests
  - address also consumers' obligations
  - respect parties' freedom of contract
  - exclude areas not fit for harmonisation
  - consider variety of services and goods





# Full harmonisation: the way forward (1)

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- Most appropriate technique for effective harmonisation in a 27 MS Europe
- Targeted full harmonisation:

## Why full?

- helps to reduce the regulatory divergences
- helps to create a more harmonised and clear legal environment
- avoids national gold-plating
- facilitates enforcement and more even interpretation



# Full harmonisation: the way forward (2)

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## Why targeted?

- focuses on well selected aspects with cross-border relevance
- tackles divergences constituting barriers to the single market
- respects the principles of subsidiarity, proportionality and necessity

## Targeted full harmonisation is not:

- uniformisation of all national laws
- lowering of consumer protection



# Interaction with other legislation

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## 1. With Community legislation:

- Unfair commercial practices directive
- Services directive
- E-commerce directive
- Sectoral legislation e.g. financial services

## 2. With national legal orders:

- General contractual remedies
- Unfair contract terms



# What's next?

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- Clarification from the Commission on key issues to be completed by input from interested parties
- First reading by the EP: a Working Document from EP IMCO expected in November
- Discussions by the Council Working Party: discussion at the December Competitiveness Council
- Further dialogue between consumers and business



# Let's all think European!

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Avoid “nationalisation” of the proposal, a European solution to be found that:

- improves the Single Market for consumers and businesses
- provides legal certainty
- results in genuine full harmonisation of the relevant national laws
- ensures a balanced common level of consumer protection avoiding unnecessary burdens on traders
- is pragmatic and workable and responds to the needs and the reality of the market



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*THANK YOU  
FOR YOUR ATTENTION!*

More information about the proposal can be  
found at [www.businessseurope.eu](http://www.businessseurope.eu)

