



**European Committee
of the Regions**

NAT-VII/016

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OPINION

New Consumer Agenda - Strengthening consumer resilience for sustainable recovery

THE EUROPEAN COMMITTEE OF THE REGIONS

- stresses the need to develop consumer protection and the associated implementation tools in order to take full account of the major challenges facing the European economy, such as the COVID-19 crisis, the green transition, digital transformation, globalisation and the emerging specific needs of certain vulnerable consumers;
- stresses that EU consumers play an essential role in the green transition and therefore they need to be informed and empowered so that they can make informed choices based on comparable, transparent and clear information in accordance with the European Commission's environmental footprint methodology, including information on the durability, reparability and social and environmental footprints of products; this information needs to be based on solid data and consumer research. In the process of information spreading the involvement of local and regional authorities is recommended;
- calls for the European Commission, the Member States and local and regional authorities to direct financial incentives from the EU recovery plan towards guaranteeing long-term economic, social and environmental progress while reducing resource use, avoiding and removing hazardous substances and improving circularity of materials and systems;
- stresses the importance of developing consumers' financial literacy, including in the area of new digital technologies, by supporting projects in this field at local and regional level;

Rapporteur

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Opinion of the European Committee of the Regions – New Consumer Agenda – Strengthening consumer resilience for sustainable recovery

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General comments

1. stresses the importance of EU consumer policy, which aims to ensure that EU citizens have a solid set of rights protecting them from serious risks and threats that they are unable to tackle as individuals, which aims to empower consumers to make informed choices, enhance their welfare and effectively protect their safety and economic interests, and which guarantees them control mechanisms and appeal procedures to make those rights effective;
2. emphasises that consumer protection at EU level will also help to boost economic recovery in Europe while implementing the circular economy model and reducing effects on the environment and human health;
3. welcomes the publication of the long-awaited New Consumer Agenda, which examines ways to increase consumer protection and resilience during and after the COVID-19 pandemic while empowering European consumers to play an active role in the green and digital transitions;
4. stresses the need to develop consumer protection and the associated implementation tools in order to take full account of the major challenges facing the European economy, such as the COVID-19 crisis, the green transition, digital transformation, globalisation and the emerging specific needs of certain vulnerable consumers;
5. stresses that there is a need not to mechanically apply the "one in, one out" approach introduced in the Better Regulation Communication, in order to maintain high consumer protection standards;
6. welcomes the fact that the Conference on the Future of Europe covers the issue of European consumer policy;

Consumer protection in the context of the COVID-19 pandemic

7. strongly emphasises the need to safeguard and vigorously implement consumer rights and the relevant EU *acquis* in times of crisis, in particular to ensure that they are not weakened and to enable consumers to obtain adequate legal protection from them;
8. welcomes the European Parliament's adoption on 27 April 2021 of the Regulation on rail passengers' rights and obligations (recast) confirming the rights and protections of consumers of rail services, in particular re-routing and support in the event of delays and cancellations, and greater assistance for people with reduced mobility. This strengthening of passenger rights is likely to encourage a modal shift among consumers towards this more sustainable mode of

transport, and interoperability with modes of soft mobility, with the obligation for operators to provide space reserved for bicycles on trains;

9. recommends that consideration be given to extending consumer protection against cancellations to other sectors, such as culture and events;
10. encourages the various competent authorities to continue combating scams targeting consumers, in cooperation with the Consumer Protection Cooperation Network and in consultation with online platforms, intermediary service providers and all relevant stakeholders;
11. underlines the need to bear in mind the lessons learned from managing this crisis in terms of defining product, process, service and quality standards so as have standards that can be mobilised quickly by public authorities and businesses in order to ensure a high level of health protection for consumers of goods and services;
12. underlines the lessons learned from the COVID-19 pandemic and the importance of maintaining a high level of consumer protection in times of crisis; in this regard, also recommends carrying out the necessary regulatory reviews in order to establish the consequences of exceptional circumstances in consumer contracts before the situation arises (*rebus sic stantibus* clause). Such an approach, taking into account the principles of anticipation and forecasting, would strengthen consumer protection;
13. encourages the Commission to analyse the long-term repercussions of the COVID-19 crisis on Europeans' consumption patterns and to build on this analysis to develop future EU policy initiatives in this area;
14. in this regard, backs initiatives to support local businesses, including small producers and promote the local craft industry;
15. stresses, moreover, that, with clearer and more comprehensive information, consumer law could promote stronger short supply chains for agricultural and food production, thereby reducing transport-related greenhouse gas emissions; in this regard, emphasises the importance of involving local and regional authorities in consumer protection policies;
16. stresses, moreover, the need to support policies aimed at bridging the digital divide in terms of equipment, territorial coverage and the requisite skills;

The green transition

17. points out that sustainable consumption is essential for achieving the objectives of the Green Deal;
18. stresses that EU consumers play an essential role in the green transition and therefore they need to be informed and empowered so that they can make informed choices based on comparable, transparent and clear information in accordance with the European Commission's environmental footprint methodology, including information on the durability, reparability and social and environmental footprints of products; this information needs to be based on solid data and

consumer research. In the process of information spreading the involvement of local and regional authorities is recommended;

19. highlights the importance of enabling consumers to make a choice based on the durability of products, while incentivising producers to make their products last longer, and stresses the need for European legislation that penalises planned obsolescence and rewards longevity in industrial and technological production;
20. points out that the transition to a green economy can only succeed if demand for sustainable products and services is not confined to specific groups of consumers and stresses here that access to sustainable products and services for all consumers, whatever their financial situation, must be ensured in order to attain the goals;
21. recommends developing a holistic approach to consumer information by developing labels if possible, taking into account aspects relating to durability, health, respect for the environment, the origin of the product with particular focus on its origin in the EU or in a third-country and fair trade; also stresses the value of increasingly integrating social and environmental aspects into public procurement through a series of measures, including the definition of minimum environmental criteria in sectoral legislation, as provided for in the new Circular Economy Action Plan;
22. thinks it important for product standards to take into account durability and circularity issues and emphasises in this regard that the EU institutions responsible for standardisation have a key role to play in this area, in particular by developing standards that define what a "green" or "sustainable" product is;
23. stresses the need to improve and ensure interoperability between devices;
24. recommends both considering the appropriateness of extending the legal guarantee period for consumer goods and better informing consumers about the expected lifespan of products;
25. recommends assessing whether it would be worth implementing a scheme requiring prior authorisation for green claims and ecolabels based on the scheme used for healthcare;
26. stresses the need to prioritise reusing or repairing faulty products over discarding them, provided that this does not undermine consumer rights and that the use or repair does not result in the production of lower quality products;
27. emphasises the need to ensure the availability of spare parts, ensuring that products can be repaired and that the cost of these repairs does not deter the consumer from repairs, while respecting consumers' rights to product conformity and product safety; recommends that the Commission look into measures to make this possible;
28. encourages the Commission to consider, in relation to the revision of the Sale of Goods Directive, how to continue promoting repairs and more sustainable, circular products, while respecting consumer rights and the economic balance between consumers and businesses;

29. stresses the importance of the role played by local and regional authorities in this area and thus the need to promote new consumption patterns and behaviours at local and regional level, such as the sharing economy;
30. recommends supporting business models allowing consumers to buy services rather than goods, by encouraging repairs, social economy organisations' actions and second-hand markets;
31. stresses the need for an inventory of local good practices in the field of repair and the circular economy;
32. emphasises the importance of extending the scope of local consumer measures to the service economy, for example with regard to renovating buildings and adapting consumer housing to a greener and more digital society, in particular by enhancing consumer information tools;
33. backs initiatives to support local businesses with a view to improving consumers' position on the market, protecting the environment and promoting the craft industry;
34. emphasises the role that local and regional authorities can play in informing and educating consumers;
35. highlights the importance of effective solutions that consumers can easily understand and implement;
36. supports the Commission's willingness to cooperate with economic operators in order to encourage them to voluntarily commit to taking action in favour of sustainable consumption that goes beyond legal obligations;
37. highlights the need to expand the Eco-Design Directive to include energy-related products, but also to extend it to a broader range of products with a high environmental impact and to set out measures for waste prevention;
38. strongly supports the publication of the sustainable products initiative, which aims to make such products the norm so as to combat early obsolescence and promote durability;
39. calls for the European Commission, the Member States and local and regional authorities to direct financial incentives from the EU recovery plan towards guaranteeing long-term economic, social and environmental progress while reducing resource use, avoiding and removing hazardous substances and improving circularity of materials and systems;
40. stresses again the urgent need to accelerate the transition towards a regenerative growth model, keeping resource consumption within planetary boundaries and reducing our environmental footprint. To this end, it is imperative to decouple growth from resource use, to move towards a true circular society and to cooperate at all levels of governance and society;

41. emphasises the need to support SMEs, and local small producers in the green transition without increasing the administrative burden. EU funds are essential in ensuring these transitions. Highlights the need to involve local and regional authorities in providing information on available EU funds in the regard;

The digital transformation

42. points out that the digital transformation is drastically altering consumers' lives. It offers them great opportunities but also presents them with new difficulties. In this regard, it is necessary to combat unfair online commercial practices. Consumer protection interests must be strengthened when establishing rules governing the digital economy and requirements for artificial intelligence, the Internet of Things and robotics; in this regard, takes note of the European Commission's innovative proposal in its regulation laying down harmonised rules on artificial intelligence and in its communication entitled "Fostering a European approach to Artificial Intelligence", which will be the subject of a separate CoR opinion;
43. stresses the need to step up action to protect consumers against unfair commercial practices on the internet. In particular, this involves developing new normative or market-surveillance tools to protect consumers against new practices that are appearing due to developments in artificial intelligence and to the use of algorithms (targeted price, product or service offers as a result of consumer profiling on the internet, etc.) and to effectively protect consumers' personal data; likewise, urges the Commission and the European institutions to raise public awareness of the environmental and social impact of shopping online;
44. points out that EU product safety legislation focusing on consumers' physical safety should be modernised in order to address security issues relating to connected objects (respect for personal data, cybersecurity, reliability, transparency and consumer information);
45. stresses the need for coherence and clear interaction between EU consumer protection legislation and EU legislation on digital markets in order to establish a high level of consumer protection as regards consumer rights, access to goods and services, including cross-border access, transparency, liability and a secure digital environment, and to clarify and strengthen the liability of online intermediaries. Mechanisms provided by online intermediaries should be put in place to allow companies' online offers to be monitored over time, in order to avoid damage to consumer rights due to their volatile nature;
46. welcomes the Commission's intention to roll out an innovative electronic toolkit, which should support the relevant bodies to identify illegal trade practices online; these electronic tools should also serve to allow the disappearance of companies that offer their products online to be monitored;
47. emphasises that geoblocking practices that deny consumers unhindered access to digital content across Europe are still in place in some sectors;
48. recommends making use of data repositories held by public authorities in order to provide consumers with the best possible information through a dynamic open data policy;

49. stresses the need to support SMEs and local small producers in the digital transition without increasing the administrative burden. EU funds are essential in ensuring this transition. Highlights the need to involve local and regional authorities in providing information on available EU funds in the regard;

Effective enforcement of legislation and effective appeal procedures

50. encourages the Commission to play a coordinating and supporting role for Member States and regional and local authorities in monitoring compliance with consumer rights, in particular by guaranteeing that the measures adopted by a Member State are effective regardless of the company's location, as should be the case with regard to sanctions;
51. welcomes the fact that the New Consumer Agenda provides that the Commission will help the Member States to quickly implement and enforce consumer rights, particularly through the Consumer Protection Cooperation Network; highlights the positive role played here by the European Consumer Centres in shaping cross-border consumer protection;
52. notes that the proper implementation of control measures, in accordance with the provisions of the New Agenda, will require a larger number of staff dedicated to market surveillance tasks. In this regard, the sectoral expertise of the staff involved in these tasks will need to be enhanced, while providing ongoing training and making appropriate material resources available with regard to the activities to be monitored: fraudulent practices, unfair practices, online sales etc. In addition, a proper network of accredited laboratories is needed to detect possible fraud or infringements that may affect security;
53. recommends stepping up cooperation between local and regional authorities on the one hand and consumer organisations on the other;
54. supports the development of voluntary consumer information measures in partnerships between local and regional authorities and businesses;

Addressing specific consumer needs

55. welcomes the fact that the New Consumer Agenda flags up that certain groups of consumers can be particularly vulnerable in certain situations and need specific safeguards, including children, older people and people with disabilities, particularly as a result of the digital divide;
56. highlights the need to strengthen protection for the most vulnerable consumers who need credit to buy essential goods and services such as medical care, education and public services; policies and instruments should be set out in the aforementioned sectors to strengthen consumer protection in situations where companies that provide continuous services in the essential education and health sectors become insolvent, in order to mitigate the damage resulting from business closures in these sectors;

57. stresses the importance of developing consumers' financial literacy, including in the area of new digital technologies, by supporting projects in this field at local and regional level;
58. welcomes the fact that the New Consumer Agenda provides for increased funding for measures to improve the availability of debt counselling in the Member States from 2021, considering the importance of local authorities' measures in this area;
59. welcomes the Commission's willingness to support initiatives providing local advice to consumers who, for structural or personal reasons, do not have access to support and information provided online or at central information offices;
60. calls for cooperation to be established/stepped up between local and regional authorities, consumer organisations and businesses so that they can join forces to maximise the use of resources;
61. recommends that, as part of the drive to combat over-indebtedness, the Commission analyse the feasibility of a corrective EU legal instrument for the collective settlement of consumers' debts, going beyond preventive measures; also calls for specific policies to be adopted to avoid practices that have been shown to be particularly damaging to the consumer (such as revolving cards), by causing indebtedness and weakening the consumers' position vis-a-vis other forms of credit;
62. recommends addressing all aspects of consumer vulnerability and exclusion, including those that directly concern local issues, such as the digital divide experienced by consumers in unconnected, under-connected or poorly connected areas. A catalogue of basic face-to-face financial services should be promoted and regulated and measures taken to prevent the elimination of all or some of these services, which would involve discriminating between consumers in their access to financial services;
63. also recommends addressing the digital divide that affects vulnerable consumers who will be excluded from the digital transition as they lack the necessary equipment or the basic skills needed, in particular in the less developed regions;

Consumer protection in a global context

64. stresses that, in a globalised world where online shopping transcends borders, cooperation with international partners has become crucial;
65. welcomes the Commission's announcement of an action plan to be drawn up with China to enhance the safety of products sold online, and of the establishment of regulatory support, technical assistance and capacity-building assistance for EU partner regions, especially in Africa;
66. nevertheless encourages the Commission to develop and step up cooperation with third countries where service providers are established that gear their offers towards the EU;
67. urges the European Commission to ensure that goods and services imported into the EU comply with the relevant European Union standards and regulations; welcomes the fact that the European

Commission is proposing to increase corporate responsibility in relation to human rights and social and environmental standards for a company's entire value chain (including subcontractors), also in third countries;

Applying consumer protection policy to other areas

68. points out that consumer policy is one of the most cross-cutting EU policies, touching on many other policies, from product safety to the digital market, financial services, food safety and labelling, energy, travel and transport;
69. underscores the need to integrate consumer protection requirements into the formulation and implementation of other EU policies and activities, such as energy, telecommunications, transport, the insurance and credit sector and so on;
70. stresses that the aim of promoting consumer welfare through robust competition policy in the EU should remain a priority objective in the implementation of Articles 101 and 102 TFEU;

Governance

71. emphasises the need to develop the Consumer Conditions Scoreboard, which shows the situation of consumers throughout the EU, through an appropriate set of indicators, covering in particular circularity in consumption, so as to support the governance and monitoring of the New Consumer Agenda;
72. supports the European Commission's intention to set up a new governance model, with a broad partnership involving all relevant stakeholders. In this regard, the Commission's aim to hold regular discussions with the European Parliament, the European Economic and Social Committee and the European Committee of the Regions while working closely with the Member States through existing networks, working groups or ad hoc task forces, should be welcomed;

73. reiterates the benefit of involving the European Committee of the Regions in this work.

Brussels, 13 October 2021.

The President
of the European Committee of the Regions

Apostolos Tzitzikostas

The Secretary-General
of the European Committee of the Regions

Petr Blížkovský

II. PROCEDURE

Title	New Consumer Agenda – Strengthening consumer resilience for sustainable recovery
Reference(s)	
Legal basis	Article 307(4) TFEU
Procedural basis	
Date of Council/EP referral/Date of Commission letter	
Date of Bureau/President's decision	29/01/2021
Commission responsible	Commission for Natural Resources
Rapporteur	Alexia Bertrand (BE/Renew Europe)
Analysis	25/01/2021
Discussed in commission	20/05/2021
Date adopted by commission	20/05/2021
Result of the vote in commission (majority, unanimity)	Majority
Date adopted in plenary	13/10/2021
Previous Committee opinions	
Date of subsidiarity monitoring consultation	
