

The Consumer Voice in Europe

Mr Jean-Claude Juncker President European Commission Rue de la Loi 200

B- 1049 Brussels

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## Re: White Paper on the Future of Europe – Consumer policy to be at the heart of the future European Union

Dear President Juncker,

BEUC, The European Consumer Organisation, has been strongly supportive of the EU's impressive achievements in protecting consumers' health and safety and in promoting their legal and economic interests.

It is thanks to the EU that there is consumer trust within the Single Market, which benefits both companies and consumers. Consumer rights and protections are the fuel of a well-functioning market and must therefore be safeguarded as a priority in the future.

Too often EU consumers are unaware that the strong regulatory framework which protects them in areas such as food, product and chemical safety, personal data protection and privacy, and payments services, has its source in EU consumer policy.

That is why we would like to share our observations and concerns when it comes to the EU's White Paper on the Future of Europe.

First, we would like to draw your attention to the importance of protecting consumer interests which is acknowledged by Article 12 of the Treaty of the Functioning of the EU: "Consumer protection requirements shall be taken into account in defining and implementing other Union policies and activities". This article confirms the cross-cutting aspect of consumer policy, which makes it an integral part of many EU policies, from energy to the digital economy, from transport to economic growth, and from competition to food policy.

## No Single Market possible without a strong consumer policy

Two scenarios presented in the White Paper on the Future of Europe – 2 ("Nothing but the Single Market") and 4 ("Doing less but more effectively") – seem to overlook that consumer policy is, and must be, an integral part of any economic policy and, consequently, of the EU's Single Market policy.

Scenario 2 and 4 do not sufficiently acknowledge that nearly all EU consumer rights and protection measures are based on Article 114 of the Treaty of the Functioning of the EU, which provides the legal basis for the completion of the Single Market.

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In scenario 2, "Nothing but the Single Market", the White Paper foresees that "differences persist or increase in areas such as consumer standards". We believe that it is contradictory to recommend an exclusive focus on developing the Single Market while allowing consumer policy to diverge. The Single Market cannot thrive if consumers do not feel they can rely on a solid and harmonised system of safeguards applying across that market.

Even more problematic is scenario 4, "Doing less but more effectively". This scenario implies a "deepening [of] the single market in key new areas" but at the same time restricting EU consumer policy to a minimum, leaving more flexibility to Member States to "experiment". It goes without saying that new important areas for the Single Market, such as the Internet of Things, will not work if consumer protection standards do not follow developments on the market.

Therefore, we call on you to ensure that in the reflection papers which ensue from the White Paper, any Single Market vision is mirrored by a corresponding strategy to make sure consumer policy follows suit.

## No common trade policy possible without common consumer policy

Scenario 4 also calls for the implementation of an ambitious common trade policy. In the current trade policy framework, with a strong spotlight on regulatory cooperation between trading partners, it would be dangerous to, on the one hand, push for a strong EU trade policy, while on the other hand, leave it to Member States to deal with consumer protection. Foreign trade partners could consider diverging national consumer protection measures as trade barriers and exert pressure on governments to settle on a low common denominator, which would have a chill effect on regulation.

Therefore, we recommend in such a scenario to substantially reduce the scope of EU trade policy and to limit its focus to market access aspects, such as tariffs and quotas. Those issues subject to regulatory convergence should be entrusted to other fora than trade bodies.

## EU consumer policy can reach citizens - tell the story

We also hope that the European Commission will use this reflection process to remind Member States that such an approach will bring benefits both to the market and to the EU. A well-communicated, inclusive consumer policy is the best tool to demonstrate the added-value of the EU to sections of the population that have lost faith in its institutions.

Many initiatives can contribute to this renewal of trust. In the past, EU measures on roaming were identified by many citizens as one of the best examples of what the EU can do for them. There are many other tangible consumer benefits that could be achieved thanks to a dedicated EU consumer policy.

The <u>document in annex</u> provides you with a short list of what we think is achievable in the short term. We hope that they will find your support.

Yours sincerely,

Monique Goyens Director General

<u>Cc</u>: Věra Jourová, European Commissioner for Justice, Consumers & Gender Equality

Ann Mettler, Head of European Political Strategy Center