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## **EU takes baby step towards collective consumer court actions**

The European Commission will recommend Tuesday 11 June that all EU countries adopt laws allowing victims to go to court as a group if harmed or suffering loss from the same source.

When victims of defective products e.g. PIPs breast implants scandal, systematic telephone overcharging (as with Telefónica in Portugal) or negligent financial advice e.g. Payment Protection Insurance (PPI) cases in the UK are numerous, it is often too difficult for them to individually defend their rights and they are left uncompensated.

Collective Redress would allow them to sign up to a single action and be represented by a consumer organisation or other body. Collective redress already exists in 16 Member States, but without a cross-border element. A let-down for consumers is that the legal method is a Recommendation, not a binding measure which would oblige full legal uniformity across the EU.

Monique Goyens, Director General of The European Consumer Organisation (BEUC) commented:

"It is a pity the European Commission has dragged its feet on this burning issue. The absence of a uniform collective redress mechanism has been a glaring omission of the Single Market for decades. 79% of European consumers have called for it, lamenting the fact their rights remain on paper. This is a basic question of access to justice.

"There has been a degree of scaremongering that this will bankrupt European businesses or prompt a litigation culture, this is nonsense. It simply has not happened in the European countries already benefitting from it. The key safeguards against exorbitant awards are in place. So we are not importing US class actions. This is a basis to ensure victims receive compensation as and where needed. It also boosts a competitive market by reclaiming illegal profiteering.

"The system recommended by the Commission disappointingly asks each person to sign up - automatic inclusion of all victims should be the norm.

"We need to see all EU countries now pick up the ball and run with it by including in national law without delay. After a generation, the Commission has taken this baby step and European consumers expect them to closely monitor the progress and at least fill the gaps where necessary."

Click to see our booklet: [Collective Redress: Where & How it Works](#). Share it: <http://bit.ly/KSPYYP>

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