

Press Statement

Contact: Sebastien Pant: +32 (0)2 789 24 01 Date: 06/12/2018

MEPs in real push to make group actions for consumers possible everywhere in EU

Members of the Legal Affairs Committee (JURI) in the EU Parliament today supported the idea that consumers everywhere in the EU should be able to go to court as a group if they have been harmed by the same trader.

In only a handful of EU countries is there a functional system for group actions (Italy, Spain, Portugal, France and Belgium). In other countries, either a system exists but does not provide group compensation easily, or there is no system at all [1].

Monique Goyens, Director General of the European Consumer Organisation (BEUC), said: "The diesel emissions scandal three years ago showed just how ill-equipped consumers are when a company the size of Volkswagen cheats them [2]. Today's vote is a strong signal by MEPs that this situation must change. The day consumers everywhere in the EU are able to go to court as a group is getting nearer.

"MEPs rightly agreed that they want to see a broad scope of laws under which it is possible to file a group action. It would have been absurd to create a group action tool in the EU which applies only to a small list of areas.

"MEPs were right not to add a series of unnecessary barriers to the proposal just to placate some business groups' fears about creating a litigation culture. In the few EU countries with a working system of group actions, there has been no avalanche of lawsuits. Consumers need to be able to get justice when they have been harmed."

The committee report now needs to be approved by the full Parliament before negotiations between the EU Commission, Parliament and Member States can start.

ENDS

[1] See BEUC factsheet, <u>Myths and realities on collective redress</u>, 2018.

[2] In the US, where a system of group actions exists, consumers were quickly compensated by Volkswagen which had fitted devices to its cars to cheat emissions tests just like in Europe. Meanwhile in the EU, the company was able to ignore European consumers' calls for compensation because no system for group actions exists across the EU. In only 4 countries (Belgium, Italy, Portugal, Spain and France) can consumer organisations bring an action to court on behalf of affected consumers.

If you would like to be removed from our mailing list, please let us know.