



Cost of Non Europe Report on the Benefits of the Single Market: Consumer acquis

IMCO Committee meeting

Prepared for:

European Parliament

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Approach

- **Overview of legislation contained in the consumer acquis**
 - excluded cross-cutting issues with the DSM, services, etc.
- **Identification of potential gaps in legislation**
 - and/or related to implementation of consumer laws
- **Case studies to highlight how consumers and businesses are affected by the relevant gaps**
- **First attempt to quantify the CoNE for a sample of case studies**
 - based solely on literature evidence
- **Case study illustrative of the potential of a complete consumer acquis**

Gaps

- **Operational definition:**

- Absence of consumer protection where legislation does not cover certain goods, products, or services
- Different levels of consumer protection where minimum harmonisation exists (i.e. some Member States go beyond minimum standards)
- Fragmented implementation or enforcement of EU consumer law

- **Identified major gaps in the consumer acquis**

- Commercial guarantees – fragmented approach to implementation of EU law
- Reverse type transactions between the consumer and trader not covered by EU legislation
- C2C transactions conducted online in the absence of an ‘auctioneer’ (e.g. eBay)
- Consumer credit – protection is uneven as many provisions of EU legislation are non-mandatory and scope is limited
- Gambling and online gaming – absence of EU consumer protection law
- Digital content, Web 2.0 and cloud computing services

- **Gaps where CoNE could be estimated**

- Commercial guarantees
- Consumer credit
- Gambling and online gaming

Estimate of CoNE & potential benefits from closing gaps

- **First tentative CoNE estimates (per annum):**

Gap	CoNE (€ million)
Commercial guarantees	36
Limited scope of the Consumer Credit Directive (CCD)	285
Lack of a single market for gambling and online gaming	5,560

- **Estimated potential gain from closing all gaps in consumer acquis**
 - In the range of €58 billion
- **Note: paucity of available evidence on the CoNE – further in-depth analysis may be useful**

Conclusion

- **Consumers play a central role in the functioning of the internal market; consumer behaviour key for growth and jobs**
- **Significant legislative activity in recent years has empowered and increased protection for consumers (i.e. CRD, CCD, E-commerce)**
- **However some residual gaps remain which could benefit from legislation at EU level, particularly where the internal market is not well established (e.g. gambling and to a lesser extent consumer credit)**
- **Too early to identify gaps in recently introduced EU legislation**
- **Links with other legislative areas, reinforces need for collective approach to the single market (i.e. DSM, services, etc.)**
- **Technology and changing business models often force legislation to catch-up (e.g. online gaming)**

