Strategy for strengthening the rights of vulnerable consumers

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The Committee on the Internal Market and Consumer Protection adopted the own-initiative report drafted by María IRIGOYEN PÉREZ (S&D, ES) on a strategy for strengthening the rights of vulnerable consumers.

This report rests upon the principle that **all consumers are susceptible to becoming vulnerable consumers** over the course of their lives, since vulnerability can result from endogenous as well as exogenous causes. The causes are endogenous when the consumer's vulnerability is the result of temporary or permanent causes that are inherent to the consumer or his or her physical or mental situation (children, adolescents, seniors, the disabled, etc.), and exogenous when the causes that make the consumer vulnerable are external: lack of knowledge of the language, lack of education (in general or specific to a sector of the market) or, simply, the need to use new technologies with which the consumer is not familiar.

Vulnerability and vulnerable consumer: the report notes that the diversity of vulnerable situations hinders a uniform approach and the adoption of a comprehensive legislative instrument. This has thus led the existing legislation and policies in place to address the problem of vulnerability on a case-by-case basis. Members stress, therefore, that European legislation must address the problem of vulnerability among consumers as a horizontal task, taking into account consumers' various needs, abilities and circumstances.

Members underline that the strategy for the rights of vulnerable consumers must focus on **reinforcing their rights** and ensuring that those rights are effectively safeguarded and enforced, as well as providing consumers with all necessary means to ensure that they can **take the appropriate decisions and be assertive**, irrespective of the instrument used.

The Commission and the Member States are encouraged to:

- **maintain constant and close analysis** of social and consumer behaviour and situations that may place certain groups or individuals in vulnerable situations, for instance by analysing consumer claims;
- put an end to vulnerability through **specific measures**, where appropriate, to provide protection for all consumers, regardless of ability and at whatever stage of life.

Assessment of the current legislative framework: the report notes that Directive 2005/29/EC concerning unfair business-to-consumer commercial practices in the internal market introduced the issue of consumer vulnerability focusing on 'undue influence'. It focuses primarily on vulnerability from the perspective of consumers' economic interests. Members consider that appropriate and effective measures should also be taken in sectors not covered by Directive 2011/83/EU and where a particular vulnerability may exist, such as the **financial sector or the transportation sector**.

Empowerment: consumers' responsibility in their own protection: Members consider that the reinforcement of vulnerable consumers' rights does not only entail a development in the legal corpus and effective enforcement of their rights, but also a strengthening of their capacity to **take optimum decisions by themselves**.

Stressing that consumer vulnerability may originate from their difficulty in accessing or assessing the information given to them, Members ask the Commission to develop a consumer policy for all European consumers and to make sure that vulnerable consumers have access to the same goods and services and are **not misled**.

The European Union and the Member States are invited to:

- pay more attention to and invest more in consumer information and education campaigns that target the right messages at the right consumer segment;
- further promote and develop existing initiatives (such as Dolceta, ECC-Net, etc.) while ensuring consistency between them in order to improve consumer information and education.

The report calls on businesses to promote and develop **self-regulatory initiatives** to reinforce the protection of vulnerable consumers' rights, ensure that they have access to better and clear information and develop practices that enhance all consumers' capacity to understand and assess an agreement. They call on the competent national authorities to provide incentives in this regard as well as the necessary legal protection for consumers.

Information and regulation: the Commission and the Member States are also asked to:

- better ensure that, in the development of the **safety standards** and operating conditions for certain products, quality requirements and protection measures are emphasised. Given the problem of accessibility of visually impaired persons to everyday living products, Members suggest that the regulation of safety standards and the conditions for certain products take into account, where possible, not only the foreseen use but also the foreseeable use;
- devote their efforts to making signage directed at **citizens with disabilities** accessible, including through standardisation;
- sign and ratify the **Convention of 13 January 2000 on the International Protection of Adults;**
- consider the reinforcement of the rights of vulnerable consumers as a key priority in the framework of the ongoing review of the proposal for a Regulation on a consumer programme 2014-2020, and of the upcoming publication of the Consumer Agenda;
- offer incentives to companies to **establish a system of voluntary labelling of industrial product packaging in Braille** (including, for example, the type of product and expiry date, at least);
- promote research and development of goods, services, equipment and facilities, which are **universally designed**, in other words usable by all people, to the greatest extent possible, without the need for adaptation or specialise design.

Particularly problematic sectors: the report stresses the need:

- to protect consumers through information and the regulation of the **financial markets**, the complexity of such markets entailing that any consumer can potentially be vulnerable - such complexity may lead consumers into excessive debt;
- for **action targeted** mainly at vulnerable consumers, both at EU and Member State level, in line with the results of the most recent Eurobarometer showing that under 50% of consumers feel informed and protected;
- to effectively educate and inform **children and young people** and their caregivers about the importance of balanced nutrition and an active, healthy lifestyle. In this regard, Members urge the Commission to include the protection of children among the main priorities of the Consumer Agenda, with particular focus on aggressive or misleading TV and online advertising;
- to enhance consumers' awareness regarding **product safety**, particularly targeting the most vulnerable groups of consumers, such as children and pregnant women;

- to introduce **stricter advertising standards for sophisticated financial products** aimed at retail investors who may not have a good understanding of financial risk, including the requirement to explicitly state any losses that the investor may incur;
- to consider that protection measures should be put in place to avoid **excessive bills** for children and adolescents regarding the use of communication technologies such as smart phones and games on the internet;
- to take the necessary measures to ensure better information provision and access to **claim procedures** regarding, inter alia, passengers' rights and transparency of fares;
- to **boost consumer confidence** while overcoming barriers to cross-border e-commerce through the development of an effective policy which pays special attention to the needs of vulnerable consumers in all measures intended to close the digital divide;
- to accelerate the delivery of the European Digital Agenda to the benefit of all EU citizens and consumers;
- to take the appropriate measures to ensure that consumers in general and vulnerable consumers in particular have access to clear, understandable and comparable information about **fees**, conditions and means of **redress**, and can easily switch providers;
- to make it possible for vulnerable consumers to have effective access to alternative dispute resolution either free of charge or at the lowest cost possible.

Lastly, Members call on the Commission and the Member States to collaborate on the **adoption of a broad and coherent political and legislative strategy** to tackle vulnerability, taking into account the diversity and complexity of all the situations involved.