



EU New Deal for Consumers: a solution in search of a problem

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Following the release of the European Commission New Deal for Consumers,

BusinessEurope Director General Markus J. Beyrer made the following comment:

“EU citizens already enjoy the most efficient and strongest consumer protection in the world. The level of compliance of European companies remains high. The European Commission itself confirmed this in last year’s EU Consumer law check-up. Against this background the New Deal proposals seem like a solution in search of a problem. The focus should continue to be on public enforcement, efficient out-of-court dispute resolution tools and awareness of the many rules among both consumers and businesses.”

On the proposal to revise the existing European injunctions directive extending it to **compensatory collective redress**, **Beyrer said:**

“There is no need for us to copy the US class action system where claims can be brought forward without a consumer mandate.

EU collective redress would only enrich law firms. The US experience tells us that lawyers are the main beneficiaries, with an average lawyer earning 1 million US dollars per claim whilst consumers receive only around 32 US dollars per claim. In 87% of US cases consumers don’t get any compensation at all.

Strong legal safeguards are a part of Europe’s legal tradition in which frivolous compensation claims can be efficiently prevented.

Under no circumstances should this new legal proposal depart from the principles of the 2013 Commission recommendation on collective redress.”

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PRESS RELEASE

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