

Building Consumer Confidence

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Over the past 50 years, the European Union (EU) has introduced policies and regulation that provide a high level of protection for consumers. These measures include a wide and encompassing product safety policy and legislation, strong consumer law. These are complemented by other consumer-oriented measures such as the Services Directive and the Quality Packages initiative adopted by the European Commission in 2010. The Directive on Consumer Rights, to be transposed into the national laws of the Member States by the end of this year, aims at achieving a real business-to-consumer internal market, striking the right balance between a high level of consumer protection and the competitiveness of enterprises.

However, despite this high level of consumer protection, the EU feels that the situation can be improved, and believes that improving consumer confidence provides a major boost to economic growth in Europe. Within this ambit the European Consumer Agenda, published by the Commission in May 2012, builds on the notion that, "... well designed and implemented consumer policies with a European dimension will enable consumers to make informed choices that reward competition."

The European Consumer Agenda identifies the key measures needed to empower consumers and build their trust. It sets out measures to put consumers at the heart of all EU policies, and builds on other initiatives such as the EU Citizenship Report, the Single Market Act, the Digital Agenda for Europe, the E-commerce Communication and the Resource Efficiency Roadmap.

New developments have created new challenges, particularly in the areas of product, service and food safety; the economic and social change; sustainable consumption; social exclusion, vulnerable consumers and accessibility; information overload and knowledge deficit; consumer rights; and other specific challenges in key sectors.

Through the policy set out in the Consumer Agenda, the EU is facing these challenges with a long term strategy as well as a mix of short-term measures addressing key concerns. The aim is to boost trust and growth, and to support the Europe 2020 Strategy. The European Commission's goals are to improve consumer safety, enhance knowledge and build capacity for more effective consumer participation; and improve implementation, strengthen enforcement and secure redress.

In this context, this year the Malta Competition and Consumer Affairs Authority (MCCAA) has embarked on a national campaign aimed to inform and educate consumers and traders on their rights and responsibilities. One of the initiatives of the campaign is to increase the awareness about its Trust Mark Scheme - one of the mechanisms employed to promote and safeguard consumers' interests.

The scheme identifies traders who commit themselves to a code of conduct that allows customers to purchase goods and services with greater confidence. Participation in the scheme is open to all entities selling products or providing a service, namely large and small enterprises, service providers, and non-governmental organisations (NGOs). The only commitment for those subscribing to the scheme is to provide consumers with value for money or, in the case of NGOs, to render the support or service the organisation was set up for in the first place.

The "Trust You" code of conduct governing participants encompasses the whole service or product cycle, and monitors transactions through the promotional and advertising stage, the negotiating and purchasing stages, and the after-sales stage.

Businesses committing themselves to the code bind themselves to promote a customer friendly relationship, and to provide information that does not mislead potential customers. Besides, prices and quotes that are all inclusive should be clearly indicated.

The code of conduct also obliges participants to adhere to agreed commitments and to deal with all complaints in a timely manner. Associated entities have to conform to all relevant regulation, and to ensure that their premises are accessible and safe. An after-sales customer service is also mandatory.

Last but not least, all enterprises and NGOs enlisted in the Trust Mark scheme are expected to strive to avoid, whenever possible, that disputes are referred to the Consumer Claims Tribunal, and to opt for resolution through mediation instead.

On its part, MCCA ensures compliance to the code of conduct through consumer complaints received and mystery shopper visits. Participants who fail to adhere to the established code are removed from the scheme. Furthermore, a suspension time is imposed before defaulting participants are allowed to re-apply.

Participants in the scheme benefit from free advertising by MCCA, and support such as information and training for employees. Enrolling in the scheme is free, and participants are given a certificate and stickers to be displayed prominently in the establishment.

For more information about this scheme one can contact MCCA on 23952000 or info@mccaa.org.mt.