

This first issue will highlight the ECC Malta's presence on one of the panels to discuss the outcome of the New Consumer Agenda during the Consumer Dialogue. This panel provided a platform to evaluate the progress made under the New Consumer Agenda and to discuss future initiatives aimed at enhancing consumer protection. This issue includes an article related to the ECC-Net's review of consumer legislative developments between 2019 and 2024, outlining the significant advancements made in consumer rights. Additionally, the article identifies the priorities that should be addressed in the next legislative period to continue improving consumer protection. We have also included an article related to the performance of ECC Malta over the past year, highlighting our efforts and successes in supporting consumers. This section is followed by a success story that demonstrates our commitment to advocating for consumer rights and resolving disputes effectively. Finally, we have included interesting news from the European Commission related to consumer protection. We hope you find this issue informative and engaging. Thank you!



## Consumer Dialogue on the New Consumer Agenda

**The Malta Consumer Dialogue is part of a comprehensive series of Consumer Dialogues hosted by the Commission across EU Member States, to strengthen close collaboration and partnership at both National and EU levels. With a focus on speeding up outcomes and fostering enduring solutions, these dialogues serve as a vital platform for consumer engagement and empowerment.**

European Commissioner for Justice, Didier Reynders, praised Malta's high consumer confidence rate, citing it as a testament to the Authority's steadfast commitment to enforcing consumer protection laws. Addressing the challenges posed by the digital age, Commissioner Reynders highlighted



ongoing assessments of existing EU consumer laws to address emerging digital issues such as dark patterns and influencer marketing. Furthermore, he emphasized the European Commission's advocacy for new rules on the right to repair, green claims, and eco-design of products to empower consumers in the green transition.

Deputy Prime Minister and Minister for European Funds, Social Dialogue, and Consumer Protection, Hon. Chris Fearne, emphasised the crucial element of trust in consumer-vendor relationships. He stressed that the New

Consumer Agenda must prioritize trustworthy transactions, whether conducted in person, online, or with vendors outside the EU, ensuring consumer confidence across all fronts.

Dr Natalia Muscat, representing the European Consumer Centre, participated in panels addressing the transformative impact of digitization on consumers and strategies to safeguard consumer rights during the transition to sustainability.

Ing. Helga Pizzuto, Chairperson of the Malta Competition and Consumer Affairs Authority (MCCAA) expressed gratitude to all participants and emphasised the Authority's ongoing efforts to engage with consumers and traders. She highlighted the importance of such dialogues in informing the development and effective implementation of high-quality regulations, ensuring a fair and transparent marketplace for all.



# For a Europe which protects its consumer in their daily lives

## Legislative Achievements 2019 – 2024

The ECC-Net appreciates the significant strides made in enhancing consumer protection between 2019 and 2024. European Union regulations and directives have introduced new rights to empower and protect consumers across various sectors.

- **Rail Passenger Rights:** Rail passengers now have options for alternative travel and refunds in case of cancellations or missed connections.
- **Digital Services Act:** This act ensures better information and protection against illegal products on online marketplaces.
- **Digital Markets Act:** This act curtails the dominance of tech giants and enhances consumer control over preinstalled software and personal data.

Consumers have also gained strengthened rights in areas such as the sales of goods, representative actions, cross-border payments, digital content, and financial services contracts. These measures aim to promote transparency, fairness, and accessibility, contributing to a more consumer-friendly environment in the EU.

## Ongoing Legislative Developments

The recent legislative push for extended product lifespan, reparability, and sustainable eco-design aligns with ECC-Net's priorities. We fully support the design of products for longevity and ease of repair. ECC-Net emphasizes the need for ethical production practices, standardised and accessible repair information, and measures against planned obsolescence, making it a cornerstone of consumer protection and environmental stewardship.

The European Commission has recently proposed new measures to streamline alternative dispute resolution (ADR) in the digital market. A key element of this proposal is the



designation of the European Consumer Centres (ECCs) as ADR contact points. ECC-Net is pleased with the comprehensive reform introduced by the legislation 2023/0156(COD), which aims to establish the Union Customs Code and the European Union Customs Authority. This significant overhaul is expected to streamline customs procedures, enhance efficiency, and strengthen security within the EU's trading ecosystem, benefiting both consumers and businesses. By modernising customs operations, ECC-Net views this development as a pivotal step towards facilitating smoother trade, ensuring product safety, and reinforcing the integrity of the Single Market, aligning with its mission to protect and empower consumers.

## Priorities for the Next Five Years

As the digital landscape evolves and new consumer challenges emerge, it is imperative that the European Union adapts and responds with robust, forward-thinking legislation. The term 2019-2024 saw significant

advancements in consumer rights within the EU, setting a strong foundation for future action. However, as the lives of European consumers become more complex, so do the challenges for effective EU consumer policy. To ensure consumers remain protected in an increasingly complex world, legislators must focus on several critical issues in the term leading up to 2029. ECC-Net campaign priorities include:

- **AI and Digital Risks:** Safeguarding Consumer Interests
- **Secure Digital Wallets:** Enhancing Digital Payment Safety
- **Scam-Proof Futures:** Fortifying Against Fraud and Scams
- **Travel Empowerment:** Revolutionizing Passenger Rights
- **A True Single Market:** Addressing Persisting Issues

For more information you can read the full document downloadable from our website: <https://eccnetmalta.gov.mt/ecc-reports/>

# ECC Malta Performance

As we reflect on the achievements of 2023, ECC Malta is proud to share insights into our performance and impact throughout the year.

**Requests and Complaints:** ECC Malta received a total of 630 requests for information and registered 532 complaints during the year. Of these complaints, 186 were from Maltese consumers against EU-based traders, while 346 originated from European consumers against traders based in Malta.

**Complaint Categories:** For Maltese consumers lodging complaints against EU-based traders, transport services emerged as the primary concern, which includes issues related to air travel

and car rental. This was followed by grievances in recreation and culture, furnishing and household equipment, and clothing and footwear. Similarly, European consumers raised the majority of their complaints against Maltese traders regarding transport services, including air travel and car rental. Recreation and cultural services, miscellaneous goods and services, and services related to restaurants, hotels, and timeshares also featured prominently.

## Success Rate and Consumer

**Satisfaction:** Despite the challenges, ECC Malta demonstrated exceptional performance, achieving a success rate of nearly 72% for closed complaints. Furthermore, an impressive 95% of consumers expressed extreme or high satisfaction with the resolution of their complaints, highlighting ECC Malta's



commitment to excellence in consumer advocacy.

ECC Malta will keep promoting consumer rights and facilitate resolutions between consumers and traders. ECC Malta will continue delivering quality service and increasing trust in the single market by empowering consumers to assert their rights with confidence.

## Success Story

**In a recent case that came to our attention, a consumer encountered sizing discrepancies after placing an online order with a Spanish Trader, for a pair of shoes. Here's what happened:**

The consumer, following the guidance provided on the product page, opted for a size larger than their usual preference, as recommended by the highlighted red text. Despite their regular size being 36.5, they selected a size 37, mindful of the advisory that the shoes tended to run slightly small.

However, upon receiving the shoes, the consumer found that the size 37 was larger than expected, fitting



more like a size 38. They made several attempts to contact the trader for assistance but received only automated responses. In their communication, the consumer provided detailed evidence, including images of the product page, product description, and visual comparisons of the two shoe sizes.

Faced with this situation, the consumer sought assistance from our Centre, prompting us to escalate the case to ECC Spain. Upon receiving the case, ECC Spain promptly initiated communication with the trader, urging them to provide a return ticket to the consumer.

The consumer promptly returned the product, and in response, the trader committed to dispatching a replacement in the correct size. Thanks to the intervention by ECC Spain, a successful resolution was facilitated, with the consumer eventually receiving the correct product in the appropriate size after returning the initially purchased item.

# News

## Zalando Commits to Clearer Consumer Information Following EU Action

In a significant development for consumer transparency and empowerment, Zalando has pledged to enhance clarity in product information following discussions with the Commission and national consumer authorities.

Zalando has committed to removing misleading sustainability flags and icons associated with products on its platform. These claims, often misleading consumers about the environmental characteristics of products, will no longer be displayed as of April 15, 2024. Instead of ambiguous icons, Zalando will provide clear and transparent information about products' environmental benefits. This includes details such as the percentage of recycled materials used, enabling consumers to make informed choices aligned with their values.

Zalando will submit a comprehensive report on the implementation of these commitments. The Consumer Protection Cooperation Network (CPC) will assess Zalando's adherence to these commitments and take necessary enforcement actions, including fines or content removal if compliance is not met.

These actions align with EU regulations by providing truthful information to consumers and prohibiting misleading practices aimed at influencing consumer choices. With robust rules on unfair commercial practices, national enforcers have the authority to intervene and prevent a wide array of unfair business practices.

## Commission Fines Apple Over €1.8 Billion for Abusive App Store Rules

In a landmark decision, the European Commission has imposed a hefty fine of over €1.8 billion on Apple for its anti-competitive practices in the distribution of music streaming apps to iPhone and iPad users via the App Store.

The Commission found Apple guilty of applying restrictions on app developers, preventing them from informing iOS users about alternative and more affordable music subscription services available outside of the App Store. These "anti-steering provisions" were deemed illegal under EU antitrust regulations.



Apple's anti-steering provisions restricted app developers from providing essential information to iOS users, including price comparisons between in-app subscriptions and those available elsewhere, as well as links to external subscription options. Consequently, iOS users were deprived of the opportunity to make informed decisions about their music streaming subscriptions, potentially leading to higher prices and a diminished user experience.

The Commission concluded that Apple's conduct constituted unfair trading conditions, breaching Article 102(a) of the Treaty on the Functioning of the European Union (TFEU). These provisions were deemed unnecessary and disproportionate, negatively impacting the interests of iOS users and distorting competition in the market.

Apple's anti-competitive behaviour persisted for nearly a decade, potentially resulting in iOS users paying significantly higher prices for music streaming subscriptions due to inflated commission fees imposed by Apple on developers. Beyond financial implications, Apple's actions also resulted in non-monetary harm, such as a degraded user experience, as iOS users faced challenges in finding alternative subscription options outside of the App Store.



**European Consumer Centre Malta**

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