

SPEAKING NOTE

Ladies and Gentlemen,

It is my pleasure to be here today on the occasion of two special, but connected, events for both Belgium and the EU as a whole:

- First, the opening of a European Consumer Centre for Belgium in Brussels, and;
- Second, the launch of the pilot phase of the European Extra-Judicial Network (or 'EEJ-Net').

These two initiatives are essential steps in building consumers confidence in the Internal Market and delivering fully the advantages the Internal Market can offer to them.

Over the last decade the Internal Market has made astonishing progress but the consumer dimension has still yet to fully develop. The advent of Euro notes and coins from January next year will remove one major obstacle to direct consumer participation in the internal market. E-commerce and other forms of distance selling are progressively removing the technological and geographical barriers to direct consumer participation. However, in a larger market, consumers need to have access to reliable information and know that if things go wrong they can seek redress.

Ten years ago, the Commission, together with local authorities began to set up regional consumer information centres in border regions to help consumers with cross-border problems. The network was remodelled in 1997 with the target to establish at least one Centre in every Member State to serve the whole country.

I am pleased that the experience gained by the original regional centre at Eupen (in east Belgium) has made an important contribution to the establishment of this new centre in Brussels.

The Brussels 'Euroguichet' (as we say in EU-Jargon) is now part of a network of fourteen European Consumer Centres that aims at providing consumers with specialised information and advice on questions or problems with a cross-border dimension.

It is a key tool in providing direct help with consumer problems. It also has an important proactive mission – that is - information and education on national and European consumer issues.

The Euroguichet's role clearly complements the function of the EEJ-Net and this, no doubt, is why it has been chosen as the Clearing House for the EEJ-Net in Belgium.

The launch today of the pilot phase of the EEJ-Net provides a solid block for building confidence by giving consumers access to simple, low cost and effective means of resolving cross border conflicts. I expect the EEJ-net to be a flexible and evolving structure to help businesses and consumers resolve disputes in the internal market fast and efficiently, so they can avoid lengthy and expensive legal action. In Belgium, like in some other countries, the experience and existing contacts of the European Consumer Centres is brought in to optimise the effectiveness and efficiency of its Clearing House.

It is very much hoped that this combination will maximise benefit to consumers with cross border problems. I hope that these practical tools will give consumers greater confidence in shopping throughout the Internal Market. Greater consumer involvement will help create a more competitive marketplace where they can benefit from lower prices, wider choice and better service.

The pilot phase of the EEJ-Net is the departure point for installing the practical support and communication network of national Clearing Houses. The pilot will ensure that the network works efficiently in its relationship with the alternative dispute resolution bodies (or 'ADRs') and the service it provides to its users. Today sees the majority of Member States as well as Norway and Iceland launch their national Clearing houses. The remaining Clearing Houses will begin to operate in the succeeding months. The EEJ-Net is also complemented by FIN-NET, the already operational EU-wide out-of-court complaints network specifically for financial services.

I have been very impressed with the progress and effort by Member States and alternative dispute resolution bodies. Less than 18 months ago, I formally launched the EEJ-Net initiative at a conference in Lisbon. It is a great pleasure to be here today having seen its evolution from concept into practice.

Experience at national level has demonstrated the effectiveness of ADRs but many practical obstacles confront consumers who want

to use an ADR in a country other than their own. Primarily those barriers involved lack of information as well as linguistic and geographical barriers that made it difficult to make a complaint in the first instance. A “route map” has now been identified to overcome many of these difficulties and to ensure co-operation amongst the Clearing Houses. This includes:

- providing practical information and advice to consumers;
- setting up a general system for complaint handling, its translation and monitoring to ensure network efficiency;
- ensuring that the national Clearing House discusses practical arrangements with the national ADRs;
- maintaining network co-ordination through regular meetings of the Clearing Houses, the development of network strategies and continually reviewing to guarantee constant improvement;
- establishing uniform methods for collecting data on the performance of the network for its evaluation and for identifying specific cross border problems.

It will take time and knowledge gained from experience to turn the potential inherent in the EEJ-Net into a successful functioning reality. This is why a review process is built into the ongoing evolution of the service. A great deal of good will and serious intent backs the launch and the start-up costs are solidly financed with a combination of Commission and Member State funding. But there is also a built in mechanism to allow for flexibility and for structures to evolve and grow and for ways to develop that will allow the network to continually improve.

Over the next year, the Commission will continue to work in close collaboration with Member States and the ADRs to make sure that the right solutions and working methods are in place. In parallel, the Commission will work with the Clearing Houses to set up technical support and internet tools to help their performance and make network co-operation easier. During this period, the network will be limited to those ADRs notified to the Commission under Commission Recommendation 98/257/EC but we will consider during the review how best to widen the network.

The Commission sees the EEJ-Net initiative as a priority. It is an essential component of a number initiatives aimed at creating

confidence for consumers to actively take part and benefit from the Internal Market. It is also important for business as it will facilitate greater cross-border trade, particularly for SME's. It will put the practical framework in place to allow the potential of ADR for resolving cross border disputes to be fully exploited.

I wish the Brussels Euroguichet and Clearing House along with all the other national Clearing Houses the best of success for the future. I can assure you all that this network has my full personal support – good luck!

David Byrne