Concluding the contract: an informed choice?

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CONTRACT INFORMATION REQUIREMENTS

ARTICLE 102 EECC

• Contract summary template to be used from December 2019
• Specific QoS requirements for IAS
• Usage monitoring facilities

TRANSPARENCY & COMPARISON OF OFFERS

ARTICLE 103 EECC

• Information to be published by service providers or responsible authorities
• Independent service comparison tool for tariffs and QoS – certified by relevant authorities
WHY END-USER PROTECTION WAS NEEDED

Telecoms: one of the worst performing services markets for consumers

- Four worst-performing services markets
- Highest proportion of consumers experiencing problems (16.9%),
- Highest percentage of consumer complaints (85.3% complain when experiencing problems).

Source: DG JUST Consumer Markets Scoreboard 2018
WHY PROTECTION IS STILL NEEDED

Telecoms remains one of the worst performing services markets for consumers

- Reducing competition, similar offers
- Increasing prices
- Deteriorating quality of service
- Lack of investment, slow deployment of networks, especially in remote areas

- **BEUC member OCU**: majority of consumer complaints in Spain cover telecoms services, 64% of all mediations are about telecoms bundled offers
- **BEUC member DECO**: telecoms sector as the Portuguese consumer complaints 'champion' for 15 years.
**Information asymmetry**
When more information is not always better information:

- Lacking
- Misleading
- Difficult to find
- Provided late
- Hard to compare
- Similarity of offers
- Choice or information overload
Contract summaries: the most significant development to help consumers to make more informed choices, yet more is needed to reflect on more informed choices for consumers

Are contract summaries living up to its purpose?

- Similarly advertised offers: reduced competition, less operators, similar offers
- Misuse of contract summaries: contract summaries in Greece provided in the contract itself, deterring consumers from comparing offers - BEUC member KEPKA
- Lack of continuous availability and accessibility depending on the operators, especially in case of renewal or unilateral change of contractual conditions
Consumers still not making better choices despite more information

- Similar offers, too few operators
- Long contract duration, early termination charges
- Complex products, bundling
- Switching costs
- Loss of service

**BEUC Portuguese member DECO:** very long contracts, high penalties for early contract termination, switching deterrence measures for consumers

Source: EC Special Eurobarometer 510 –June 2021
THE WAY FORWARD

- No loss of acquired rights and protections for consumers: full harmonization must not compromise higher levels of consumer protection.
- **Strengthened rules**: clarifying rules on information and transparency requirements and provider switching, in particular on early contract termination, easy switching and on bundled contracts.
- **Enforcement is key**: effective implementation of new rules requires collaboration and cooperation amongst all relevant stakeholders and active coordination between competent authorities at national level.
- **Build a ‘virtuous cycle’**: Close cooperation between national market authorities and consumer protection organisations.
- **Redress must be available**: Consumers need effective complaint procedures and civil law remedies allowing to seek redress.
Thank you for your attention

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