

# Annual Report 2010



**EUROPEAN  
CONSUMER  
CENTRE  
IRELAND**



TIME	DESTINATION	GATE#	STATUS
12:00	COPENHAGEN	---	CANCELLED
12:15	PARIS	---	CANCELLED
12:25	LONDON	---	CANCELLED
13:20	FRANKFURT	---	CANCELLED
13:45	ZURICH	---	CANCELLED
14:35	BRUSSELS	---	CANCELLED
15:00	MILAN	---	CANCELLED

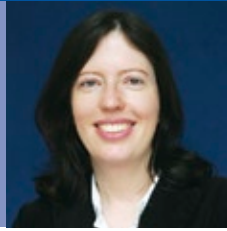




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# Foreword

Ann Neville **Director**, ECC Ireland



Consumer policy is not a minor matter. With consumer spending representing some 56% of EU GDP, it has been identified as a key driver of growth.<sup>1</sup> As the Consumer Scoreboard points out: “Given the importance of consumer expenditure in the economy, small improvements in consumer conditions in the single market can have significant benefits. Empowered consumers, who understand the complex choices they face, will reward efficient, innovative businesses, thereby sharpening competition and stimulating innovation.”<sup>2</sup>

Against this background enhancing consumer confidence is more important than ever if we are to achieve a sustained recovery. In that context the role played by the European Consumer Centres Network (ECC-Net) can make a crucial contribution to unlocking the full economic potential of the internal market for the benefit of all. By providing consumers with clear information – free of charge – about their rights, and assuring them that they can obtain effective redress in the event of a problem, consumers are empowered and can therefore make confident choices. The pages that follow outline the work of the European Consumer Centre in Ireland (ECC Ireland) during 2010 and show the problems that consumers faced during a difficult year.

With consumer spending identified as key to economic recovery at a national level in Ireland the work of ECC Ireland contributes to the development of consumer confidence at home and in Europe.

Ann Neville  
**Director**, ECC Ireland  
*July 2011*

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<sup>1</sup>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *Annual Growth Survey: advancing the EU's comprehensive response to the crisis*, Brussels, 12.1.2010, COM(2011) 11 final.

<sup>2</sup>European Commission, Directorate General for Health & Consumers, *Consumer Conditions Scoreboard, Consumers at home in the single market*, 5th edition, March 2011.

# Executive Summary



In 2010 ECC Ireland dealt with over 3,900 consumers, a figure which represents a small increase in respect of the 2009 figure, and which has to be interpreted against a background of a contracting economy at a national level. Of these consumer contacts, 1,358 were classified as requests for information (e.g. guidance on consumer law, referrals to relevant organisations, issuing of leaflets) and 2,546 were complaints involving Irish consumers (2,055) or Irish traders (491). When the complaints which required the further assistance of ECC-Net are examined we find a top five category of complaints represented by air travel, electronic goods, car rental, entertainment (a category which includes satellite television, concert tickets, and sporting events) and communication which covers complaints relating to items such as mobile phones and internet services.

As 2010 was a year that saw unprecedented disruption to travel right across Europe on a number of occasions, it is not surprising that air travel represents the primary area of complaint, with 45.7% of the total, a jump of 11.2% over the 2009 figure for this category. The success rate of ECC Ireland in resolving cases involving a complaint against an Irish trader by consumers from other European countries was just over 80%, while the success rate for cases involving complaints by Irish consumers against other European traders and handled by our sister offices in other European countries was 64%.

In total ECC Ireland obtained refunds to the value of €105,848.58 for consumers, or €340 per resolved case. This is a significant jump in respect of the amount secured in 2009 (€86,187.52) and reflects the greater number of resolved complaints during 2010. These figures also reflect the analysis of ECC-Net as a whole carried out on behalf of the European Commission in 2010 and which showed that the direct financial benefit accruing to consumers as a result of ECCs' actions outweighs the cost to the tax payer of supporting ECC-Net. The network delivered direct financial benefits to consumers of at least 1.77 times its cost to the taxpayer during 2010. Additionally, there are significant non-quantifiable benefits such as consumer detriment avoided and increased confidence in cross-border shopping attributable to ECCs' activities.<sup>3</sup>

2010 was a busy year for ECC Ireland, with the ash cloud crisis and the disruption to travel caused by severe weather at the end of the year meaning that ECC Ireland was busy both advising consumers and also getting the message out through the media that even in these unusual circumstances, consumers' air passenger rights continued to apply. In a difficult economic year consumers' desire for bargains often rendered them vulnerable to unscrupulous traders offering attractive products online and for this reason ECC Ireland ran a campaign on safe online shopping targeted at Christmas shoppers who are increasingly doing their Christmas shopping online. The campaign ran on local radio stations throughout the country and received a strong response from the media and Irish consumers.

ECC Ireland continued to engage in research during the year, producing a report on the *First Year of Operation of the European Small Claims Procedure in Ireland* which was circulated to stakeholders at national and European level. ECC Ireland's legal adviser, Juan Bueso, was invited to give a presentation at a conference on *EU Passengers' Rights, dealing with conflicts, complaint handling, ADR, small claims procedure, collective redress* organised by the European Academy of Law, and

<sup>3</sup>DG Health and Consumers, *Evaluation of the European Consumer Centres Network (ECC-Net)*, Final Report submitted by CPEC within the Framework Contract SANCO/2008/01/055 (Lot 2: Consumer Policy) Specific Contract No17.020200/10/556529.



held in Trier in December of the year. ECC Ireland was also a member of the ECC-Net Working Group that developed a network Case Handling Protocol which sets out uniform standards of case handling to be observed across the network. Adherence to the protocol is designed to standardise and improve case handling procedures throughout ECC-Net.

We continued to actively engage with the wider ECC network, with ECC Ireland's Polish-speaking adviser, Anna Heryan, giving a presentation on the work of ECC Ireland at a conference to mark the fifth anniversary of the establishment of ECC-Net in Poland. In setting up their office, ECC Poland based many of their work practices on the Irish model.

On a national level we continued our collaboration with our national funders, the National Consumer Agency, as well as the Department of Enterprise, Trade and Innovation, the European Commission Representation in Ireland and the Consumers' Association of Ireland.

In relation to Alternative Dispute Resolution (ADR), the Irish Law Reform Commission launched in November its report *Alternative Dispute Resolution: Mediation and Conciliation* with a view to promoting the use of ADR processes. ECC Ireland Dispute Resolution Adviser, Susan Dowling, responded to the Law Reform Commission during the consultation phase of the Report. ECC Ireland also engaged with the Bar Council of Ireland in order to promote ADR amongst the business community, participated in a workshop on ADR organised by DG SANCO and gave feedback to the Irish Department of Justice, Equality and Law Reform in relation to the Irish transposition of European Directive 2008/52/EC on certain aspects of mediation in civil and commercial matters.

At an internal level 2010 saw some staff changes with the departure of our adviser, Marcin Walkowiak, who left to take up a job in Poland. He was replaced by Lynnsey Delaney whose background in law and previous experience with the Consumers' Association of Ireland and the Citizens Information Service brought a new expertise to the role. 2010 also saw ECC Ireland assume a role under the Services Directive, providing consumers with information in relation to cross-border services, and this function was carried out by Emma Byrne. The year also saw the introduction of a dedicated PR & Marketing role which was held by Caroline Curneen on a part-time basis, combined with her duties as an adviser.

Late 2010 also saw a move from our premises in O'Connell Street to a new office in Dublin City Council premises in Green Street. The greater space and improved facilities offered by our new premises will facilitate the work of ECC Ireland during what will undoubtedly be an intensive year of work in 2011.

**“ECC Ireland was very helpful, friendly, competent and professional. I have since recommended the service to several other people who have had similar experiences.”**

# European Consumer Centre Ireland

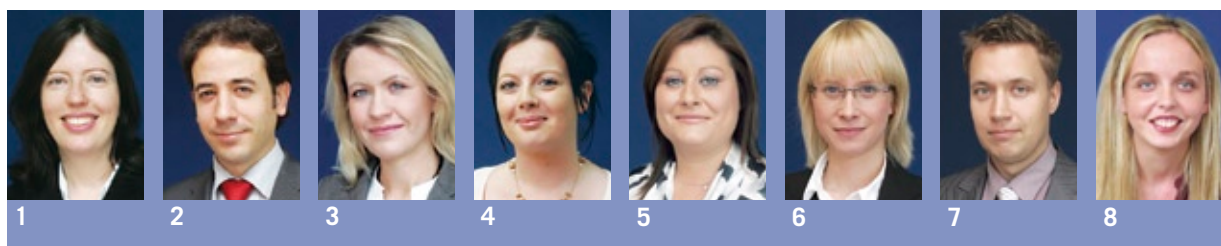


## Profile

ECC Ireland has as its objective the creation of consumer confidence in the Internal Market. With 500 million consumers and no trade borders, the European ‘shopping market’ offers choice and value for money. Consumers are protected by European legislation wherever, and however, they shop.

ECC Ireland is part of the ECC Network which comprises 29 centres across Europe. ECC Ireland gives information and advice to consumers on their rights and also assists consumers with cross-border complaints and disputes by intervening on their behalf with the trader in the other relevant country. ECC Ireland also produces reports and opinion papers, engages in joint projects within the ECC network, and carries out proactive consumer information campaigns.

## Staff Profile



- 1 Ann Neville **Director**
- 2 Juan Bueso **Legal Adviser**
- 3 Caroline Curneen **PR & Marketing Manager / Adviser**
- 4 Emma Byrne **Administrator / Services Directive Adviser**
- 5 Susan Dowling **Dispute Resolution Adviser**
- 6 Anna Heryan **Adviser**
- 7 Marcin Walkowiak **Adviser (to 30/04)**
- 8 Lynnsey Delaney **Adviser (from 04/05)**

### Board of Directors

- Chairman Dermott Jewell** CEO, Consumers' Association of Ireland  
**Director Brona Carton** European Commission, Food & Veterinary Office  
**Director Josette Cuthbert** Regional Coordinator, Citizens Information Board  
**Director Cathal O'Gorman** Consumer Policy Section, Department of Jobs, Enterprise & Innovation  
**Director John Shine** Director of Commercial Practices, National Consumer Agency

### Student Work Placements

- Jolene Quinn *Law student* (Jan. to March 2010)  
 Conor McEneaney *Law graduate* (April to July 2010)  
 Sean Gleeson *Law graduate* (Aug. to Dec. 2010)

# Assistance to Consumers

Juan Bueso, Legal Adviser



## Overview of Complaints Received

In 2010 ECC Ireland dealt with over 3,900 consumers, a figure which represents a small increase of 1.67% in respect of the previous year. Although the economy was contracting, consumers are certainly more conscious about any detriment incurred. Furthermore, the extraordinary events that led to the cancellation of thousands of flights during the volcanic ash cloud crisis also explain the increase in air travel complaints.

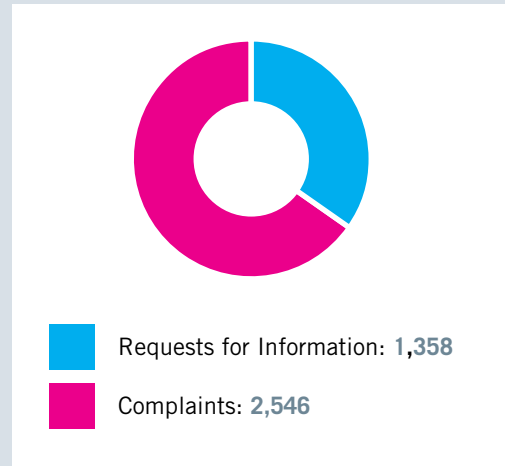
1,358 of the total number of queries, i.e. 35%, were classified as 'requests for information' (e.g. guidance on consumer law, referrals to relevant organisations, issuing of leaflets). A further 2,055 Irish consumers reported a complaint against a trader based in another European country; ECC Ireland provided orientation and advice to help consumers in resolving their complaints but in 307 of these cases, we had to forward the complaint to our counterparts in other countries in order to provide further orientation and assistance contacting the trader in the relevant country on behalf of the consumer.

ECC Ireland was also contacted by 73 consumers from other European countries in relation to complaints against Irish traders. In addition, our European counterparts were contacted by Irish consumers directly on 66 occasions. Our colleagues also registered in the same period 1,474 complaints against Irish traders (a 43% increase in respect of 2009) made by consumers from other European countries; of these, 418 cases were brought to ECC Ireland's attention in order to provide further assistance.

In summary, ECC Ireland processed 3,904 contacts in 2010, i.e. 1,358 requests for information and 2,546 complaints involving Irish consumers (2,055) or Irish traders (491). Our European counterparts also registered 1,540 complaints involving Irish consumers (66) or Irish traders (1,474).

The vast majority of the 2,546 cross-border consumer complaints recorded by ECC Ireland were made by Irish consumers (2,055), although there were also a significant number of complaints against traders based in Ireland (491).

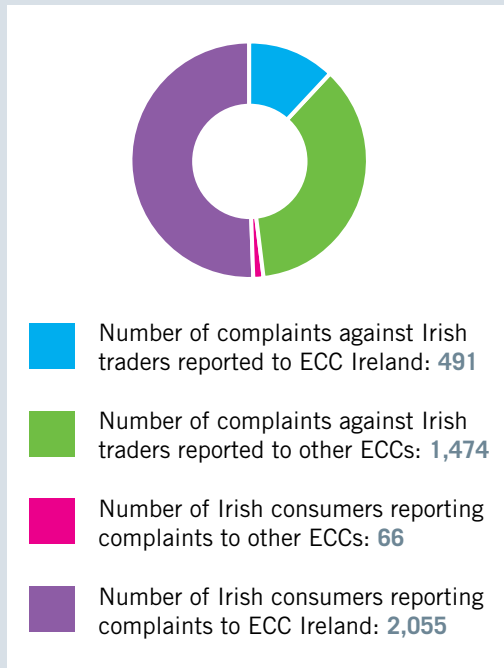
**Figure 1**  
Total Contacts Dealt with by ECC Ireland in 2010



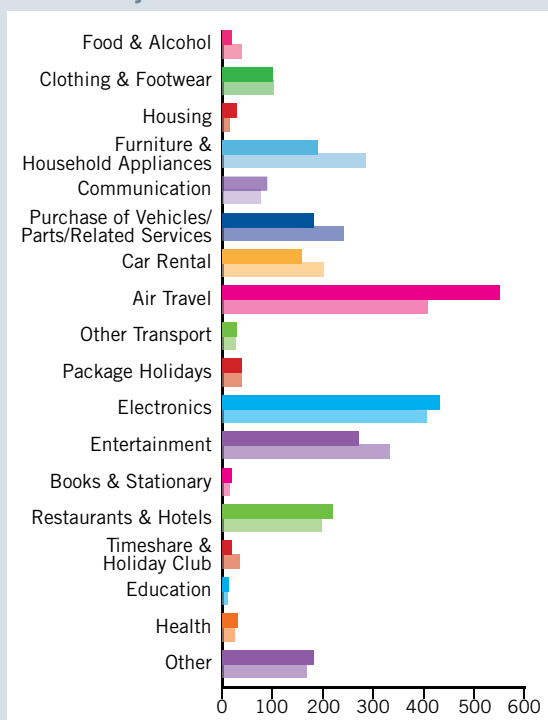
**Figure 2**  
Cross-border Complaints with an Irish Component Registered by ECC-Net 2010



**Figure 3: Total Number of Cross-border Complaints with an Irish Component 2010**



**Figure 4: Complaints 2010/2009 dealt with by ECC Ireland**



## Analysis

Having analysed the complaints registered by ECC Ireland (2,546), we observed that the primary area of complaint remained air travel with 21.4% of the total. Electronic goods (e.g. digital cameras, computers, media players) came second with 16.7%, whilst entertainment (e.g. satellite TV, tickets for concerts and sporting events) featured third with 10.6% of the total, despite an 18.7% decrease with respect to 2009.

At 8.5%, complaints about hotels remain strong, whilst furniture and household appliances complete the top five, at 7.3%, despite decreasing by a third in respect of 2009.

In 2010, many complaints came on four wheels again: 6.7% of all complaints dealt with by ECC Ireland were in relation to car rental, followed by car purchase at 3.8% and car parts and vehicle-related products at 3.3%.

Reductions in the number of complaints in certain areas (e.g. furniture, cars, entertainment) may well be due to the deterioration of the economic situation in 2010.



## Cases

In order to gain a better understanding of the complaints received, we have closely monitored those cross-border complaints which required further assistance by ECC-Net (725 cases). In most of these cases, the trader was contacted by ECC Ireland or by our counterparts in other European countries, on behalf of a consumer. Taking into account these cases only, the top 5 categories are as follows:

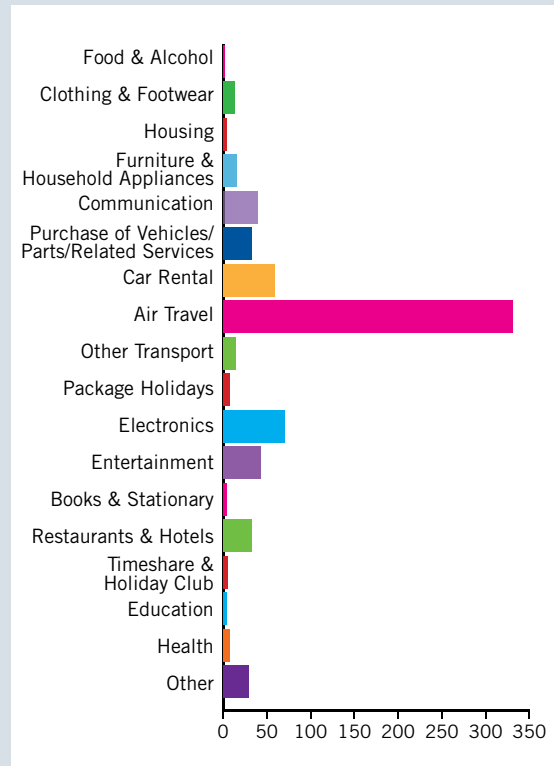
	No. of Cases	% of total
<b>Air Travel</b>	331	45.7%
<b>Electronics</b>	71	9.8%
<b>Car Rental</b>	59	8.1%
<b>Entertainment</b>	42	5.8%
<b>Communication</b>	40	5.5%

More details regarding the top 5 categories can be found in the following section of this report.

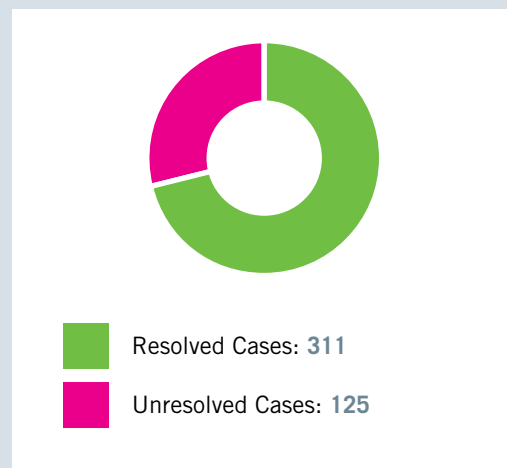
Figure 5 illustrates the 725 cases in which ECC Ireland was actively involved, sorted by category:

It has to be noted that 276 of the 725 our cases were not pursued by our office due to a number of reasons (e.g. claim ill-founded or not pursued by the consumer, case resolved by the consumer, liquidation, fraud or referral to an enforcement body or court). The majority of cases falling under Regulation [EC] No. 261/2004 on denied boarding, cancellation and delay of flights were referred to National Enforcement Bodies (NEB). In fact, 109 of the referred 276 cases were referred to an NEB. The significant increase of these cases may well be the result of the events that followed the ash cloud crisis in April/May 2010.

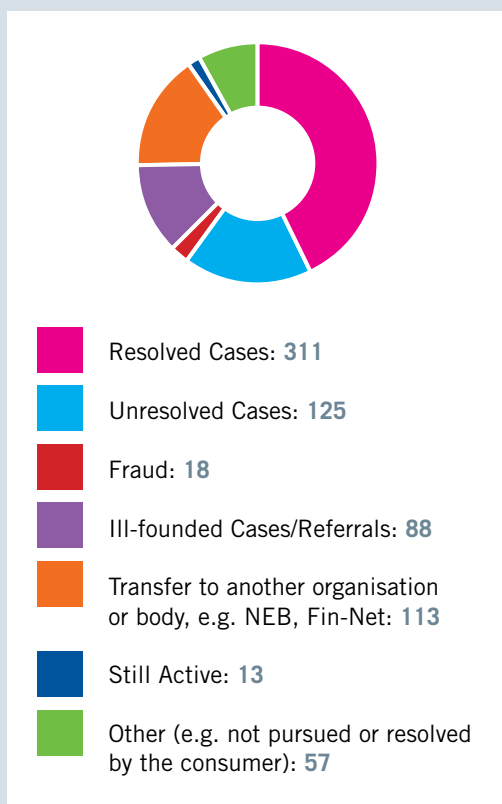
**Figure 5:**  
Breakdown of 2010 Cases by Category



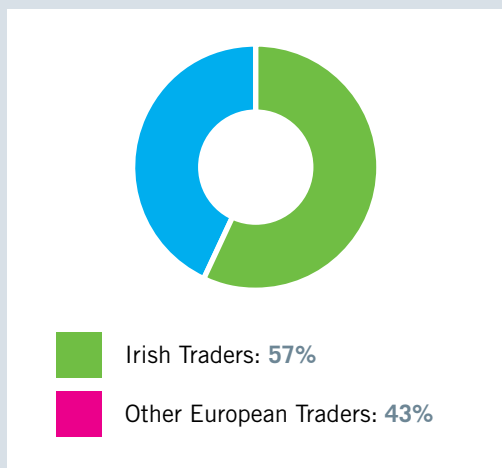
**Figure 6:**  
Total Resolved/Unresolved Cases



**Figure 7: Outcomes**



**Figure 8: Percentage of Complaints Against Irish/Other European Traders**



## Case Outcomes

As regards the outcome of cross-border cases pursued by ECC Ireland on behalf of consumers from other European countries, 148 cases out of 182 were resolved after contacting the trader in Ireland. This represents a success rate of over 80%. The majority of the complaints from Irish consumers which were referred to our colleagues in other European countries were also settled satisfactorily. ECC France for instance resolved 30 of the 33 cases in which they contacted the trader on behalf of an Irish consumer; finding a resolution in other countries proved to be more difficult but, overall, the success rate for cases in which our sister offices in other EU countries intervened was 64% (163 out of 254).

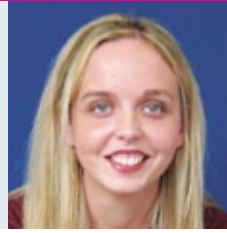
The aggregate success rate for cases involving either an Irish trader or an Irish consumer was 71% (311 out of 436). Most consumers with unresolved complaints were referred to the European Small Claims Procedure and information was given in order to facilitate access to it. In some cases, the National Consumer Agency and the Garda Síochána were contacted to report certain practices and to seek further assistance

In settling complaints out-of-court, ECC Ireland helped to secure redress for consumers, totaling €105,848.58 i.e. €340 per resolved case. The significant increase in refunds in 2010 in respect of the amount secured in 2009 (€86,187.52) is a consequence of the higher number of resolved complaints during the reporting period (311), as opposed to those in 2009 (229), despite no commensurate staff increase. Perhaps the adoption of a case handling protocol across ECC-Net in 2010 contributed to a more efficient handling of complaints.

In 2010, according to the complaints lodged with ECC-Net in which further assistance was required, Irish consumers shopping in other European countries represented 43% of the total (313 out of 725), which is in line with the figure obtained in 2009 (45%). The list of countries of the traders complained about is topped by the UK (57%), followed by France (13%) and Spain (7%). As regards the number of cases involving Irish traders (412 out of 725), i.e. 57%, most complainants were based in the UK (19%), followed by Spain and France (11% each).

# Main Problems Encountered

Lynnsey Delaney, Adviser



## Air Passenger Rights

Air passenger rights retained its position as the number one area of complaint in 2010, representing 45.7% of the total number of complaints received, an 11.2% increase over the figure for 2009, a jump which is undoubtedly due to the disruption caused to air travel by the Icelandic ash cloud in early 2010. The data from Ireland reflects the larger picture from ECC-Net where transport complaints, predominantly air passenger rights-related, increased by 10% over the previous year.

Of the 331 complaints received, the majority involved complaints made by consumers based in another European country against Irish airlines, and this may be due to the presence of Europe's largest low cost air carrier in this State. Of these, 110 cases were resolved in favour of the consumer, securing refunds for the sum of €29,812.49, or approximately €271.02 per resolved case. In 109 cases, ECC Ireland referred consumers to the relevant National Enforcement Body for further assistance. The National Enforcement Body enforces Regulation (EC) No. 261/2004 which deals with flight cancellation, delay or denied boarding.

Given the impact of the volcanic ash disruption on the air transport industry in 2010, it is not surprising that flight cancellation was the number one category of complaint at 39%. Approximately 24% of all cancellation complaints received pertained to cancellations which occurred as a result of the volcanic ash disruption. Many of these complaints concerned the lack of information and assistance at the time of cancellation, with consumers seeking advice and assistance on how to recoup the cost of unused flights, subsistence costs and consequential losses incurred as a result.

It is important that consumers are aware that the 'right to care,' as outlined in Regulation (EC) No. 261/2004, applies in all circumstances, irrespective of the reason for the delay or cancellation and 'exceptional circumstances' can only be invoked with regards to compensation.

A growing area of complaint and the second largest section of all complaints received, at 18.5%, related to difficulties encountered whilst booking tickets. This may be indicative of a shift amongst consumers towards purchasing tickets online, as well as through intermediaries, as opposed to via a traditional travel operator. Problems experienced included technical

difficulties encountered while booking flights online, as well as the imposition of an administration fee for changing the names, or spelling of names, of the passengers who seek to fly. These fees are also generally applied per person and thus substantial costs may be incurred in those instances where one booking is made for a large number of passengers.

In 2010 the third highest category of air travel complaints pertained to issues concerning luggage. Representing 17% of the cases dealt with, the difficulties encountered by consumers in this area can be mainly categorised as damaged, delayed, or lost luggage. The Montreal Convention gives passengers the right to compensation of up to 1,131 Special Drawing Rights or approximately €1,300 in June 2011 values. In such circumstances, however, the Convention stipulates that consumers complain in writing to the airline within a designated period of time. This is a legal requirement and failure to do so often results in consumers losing their right to claim from the air carrier.

Furthermore, as the Montreal Convention does not provide guidelines as to how the compensation should be calculated, the approaches adopted by airlines vary dramatically – with many airlines requiring that consumers prove their loss through the production of receipts. This is obviously a very burdensome requirement as few consumers will still have original receipts for luggage or items in luggage after several months or years.

ECC Ireland also received complaints in those instances where consumers sought a refund for the cost of the ticket from the airline and realised that they were not refunded the cost of the insurance policy which they took out at the time they booked the ticket. In these cases, consumers were advised to contact their insurance provider as, although it is now possible to book insurance while purchasing your flight, the insurance contract is between the consumer and the insurance provider – not the airline.

Other air transport-related complaints pertained to the actual terms and conditions of airlines, as well as the relevant fees, charges and policies imposed. The recouping of taxes and charges remains a problematic area for consumers, as does the often arbitrary currency exchange charges imposed by airlines.



## Air Passenger Rights: CASE STUDIES

A group of four Austrian consumers booked return flights with an Irish airline from London Gatwick to Vienna. The flight was cancelled however and in the aftermath of the cancellation the airline failed to comply with a number of EU regulations, including Article 14(2) of Regulation (EC) No. 261/2004 which stipulates that each passenger must be provided with a written notice setting out the rules for compensation and assistance in line with the regulation. The airline also failed to comply with Article 8(1) of the Regulation in that they failed to offer the consumer the option of either a refund or rerouting. As a result the consumers were not aware that they could have obtained a rerouting, and instead they booked flights with a different airline. The consumers sought a refund of the ticket price and losses they had incurred as a result of the cancellation to the value of €134.32. ECC Austria transferred the file to ECC Ireland which contacted the airline on the consumers' behalf. However, whilst the airline was willing to refund the consumers the price of their initial ticket at €651.96, they refused to compensate the consumers for the additional losses suffered by them as a result.

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An Italian consumer's flight from Malaga to Milan with an Irish airline was cancelled and the consumer sought compensation and reimbursement of expenses incurred. ECC Italy forwarded the consumer's complaint to ECC Ireland. The complaint was referred to the Spanish National Enforcement Body by ECC Ireland and following their recommendation, the consumer received €598.10.

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An Irish consumer's buggy worth €734 was lost whilst travelling with a French airline, which refused to accept that in such circumstances compensation was due under the Montreal Convention. The consumer contacted ECC Ireland and the file was shared with ECC France. Initially, the airline responded stating that no compensation was due under the Montreal Convention, but after some correspondence the consumer received €369.50 compensation.

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A Belgian consumer booked return flights with an Irish airline from Brussels to Alicante for himself and another passenger. The consumers subsequently checked in online and printed out the requisite boarding passes on 'an individual A4 page'. No problems were experienced with the boarding passes on their outbound flight, however at the check in desk in Alicante they were told that the boarding passes' 'landscape' format was not valid and that they would have to pay a fee of €80. ECC Ireland intervened and contacted the airline, arguing that all their terms and conditions required was that the boarding passes be printed on an 'individual A4 page'. No distinction was made between whether it should be printed in landscape or portrait. Consequently, the airline agreed to refund the fees to the consumer.

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A group of eleven Swedish consumers booked flights with an Irish airline and stipulated in their booking that one piece of luggage per person should also be included. However, when the consumers had completed the booking they discovered that the total luggage checked in was 32 pieces and they were charged an additional €210 in error. The consumers contacted the airline and explained the error. In this letter the consumers informed the airline of the total luggage carried for the group, however, the airline denied this request for a refund. The consumers then contacted ECC Sweden. At the intervention of ECC Ireland, the airline apologised for the mistake which had been made and refunded the consumers.

# Main Problems Encountered

Marcin Walkowiak, Adviser



## Electronic Goods

This category includes complaints relating to the purchase of goods such as DVD players, digital cameras, computers, computer parts etc, and was the subject of the second highest frequency of consumer complaints received by ECC Ireland during 2010, continuing a trend indicated by recent annual reports.

In 2010 ECC Ireland dealt with 71 complaints in relation to electronic goods involving either an Irish consumer or an Irish trader, accounting for almost 10% of the total cases handled by ECC Ireland during the year. 41 of these cases were resolved in favour of the consumer, securing refunds for the sum of €11,252.97 (an average of €274.46 per resolved case). The majority of these cases involved traders in the UK and France, followed by Ireland, and our colleagues in Germany, Spain and the Netherlands also assisted with the complaints about traders based in these countries. One Irish consumer managed to resolve his consumer complaint by himself after having requested assistance directly from one of our sister offices.

In those cases where the trader failed to cooperate with our offices, most of the complaints involved a trader in the UK (73%), although there were a small number of cases where no amicable settlement was reached with traders in Ireland, France and the Netherlands. One of these cases was sent to an online alternative dispute resolution (ADR) scheme, ECODIR, but the trader failed to engage. Two other cases were referred to an ADR scheme in Germany (Der Online-Schlichter) which did not find in favour of the consumer. At the time of printing, a case involving an Irish consumer and a French trader was still being dealt with.

The majority of consumer complaints received in this category related to difficulties experienced with the product purchased, which constituted 56% of the total number of complaints relating to electronic goods. Defective products or products not being in conformity with the order were the principal cause of product-related complaints.

Problems with the delivery of products purchased accounted for 21% of the total number of complaints received in relation to electronic goods with complaints of non- or partial delivery featuring strongly.

The remaining complaints in this category where ECC Ireland liaised directly with the trader on the consumer's behalf predominantly involved complaints related to price and payment, contract terms and unfair commercial practices (21%).

In 2010 ECC NET published its fifth e-commerce report, *The European Online Marketplace: Consumer Complaints 2008–2009*. The report analysed 18,420 consumer complaints relating to online purchases reported to 29 states across the European Consumer Centre network during 2008 and 2009.

In this report electronic goods constituted the largest category of products purchased online by consumers in both years, accounting for 30% in 2008 and 26% in 2009. There were 59 complaints against Irish web traders in 2009 which required intervention by ECC-NET, representing almost 2% of the cases dealt with that year (this was an increase from 1% in the previous year). This relatively low figure can be explained by the fact that many Irish traders do not provide facilities for online purchases, especially for cross-border purchases.

In line with the findings of this report, the majority of consumer complaints received by ECC Ireland in 2010 in relation to electronic goods were those where the consumer had purchased the goods online, accounting for 83% of the total.

The ECC Net report concludes that cross-border online trade offers consumers tremendous choice and value, while offering all consumers across Europe access to an enormous marketplace without geographical restrictions. As long as this remains the case, consumers wishing to purchase electronic goods will increasingly turn to online shopping as a means of securing the most suitable product at the most competitive price.



## Electronic Goods: CASE STUDIES

A Spanish consumer bought an MP3 player from an Irish trader. Over a year later the MP3 player began to malfunction. The consumer contacted the trader who explained that the product's one-year guarantee had expired. The consumer's complaint was then brought to the attention of ECC Ireland which contacted the trader to inform him of his legal obligation to the consumer under Directive 1999/44/EC which provides a period of twenty-four months from purchase for a consumer to request a repair, replacement or refund from the trader. The trader agreed to supply a replacement product free of charge.

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An Irish consumer purchased a laptop speaker from a French online trader. Following a period of time the consumer still had not received the speaker. He contacted the trader and requested a refund. The consumer was asked by the trader to complete a sworn statement confirming that the product had not been received. This was completed and returned to the trader. The consumer soon received a refund which included the cost of the product but not the postage costs. The consumer sought assistance from ECC Ireland in securing a refund of the outstanding amount which was reimbursed by the trader following contact from ECC France.

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An Irish consumer purchased a laptop from a UK trader which quickly developed a fault. The consumer contacted the trader who advised the consumer to contact the manufacturer directly. The consumer obtained an independent engineer's report which stated that the fault was serious and beyond repair. The consumer sought a replacement or full refund but the trader did not respond to this request. The consumer contacted ECC Ireland and we contacted the trader and secured a full refund.

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A Spanish consumer ordered an MP3 player and a laptop from an Irish trader. One week after receiving the products the MP3 player ceased to work. The product was returned to the trader for repair. The trader charged the consumer for a new MP3 player, claiming that the original product could not be repaired because it had been in contact with water. The consumer was not consulted about the charge and disputed the trader's assessment of the cause of damage to the product. The consumer contacted the trader asking for proof that the malfunction was not due to a product defect and requested reimbursement of the cost of the replacement MP3 player. Following contact from ECC Ireland the trader reimbursed the consumer.

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An Irish consumer ordered goods from a French trader. The consumer notified the trader that the goods supplied were defective and attempted to return them within the seven working days cooling off period. As there was a problem with the trader's returns system the consumer was unable to return the goods within the specified time frame. The trader received the goods but did not issue a refund so the consumer requested the assistance of ECC Ireland. The details of the complaint were passed on to ECC France which contacted the trader on the consumer's behalf. As a result of this contact the consumer received a full refund.

# Main Problems Encountered

Anna Heryan, Adviser



## Car Rentals

Complaints relating to car rentals represented the third most common area of consumer complaints received by ECC Ireland in 2010, amounting to 8.1% of the total number of cases where the ECC liaised with traders directly on behalf of consumers.

Charges imposed after the return of the car for alleged damages incurred represented the vast majority of consumer complaints and accounted for 41% of the total number of cases related to car rentals. Consumers involved in an accident or whose car broke down during the rental period are often unaware of their rights and obligations. While it is understandable that consumers are liable for damage caused to a vehicle during their car rental period, they should not be penalised for normal wear and tear. Accordingly, consumers may not be responsible for a mechanical failure which occurred during the rental period if the problems in question were not caused by an action or omission caused by consumers. It is important to carefully inspect a car on collection and upon return, as well as to check the insurance cover provided and the excess amount that could be charged to a credit card in the event of an accident. In many cases, however, car rental companies charged consumers' credit cards, without notifying consumers and providing an appropriate explanation. As a result, consumers became aware of additional charges only upon checking their credit card statements.

Additional charges constituted the second major cause for consumer complaints and accounted for 17% of the total number of car rental-related cases. Consumers very often do not realise that prices quoted online or over the phone only contain the basics and that it is important to make sure what is included in the final quote and to check the cost of optional extras (e.g. extra insurance). In many cases, however, additional charges imposed by car rental companies were unavoidable, e.g. fuel charges.

Other problematic areas concerned the availability of vehicles and the condition of vehicles provided. Such cases represented 18% of consumer complaints, which required the intervention of ECC Ireland. Very often the consumer arrived at the car rental desk only to be informed that the vehicle they had booked was not available. As a result, consumers were provided with cars, which did not suit their needs, or if no vehicle was provided, had no other option but to rent a car from a different provider at a higher cost.

25 out of 59 cases relating to car rentals, which required the intervention of ECC Ireland, were successfully resolved, securing refunds for consumers amounting to €7,395.48, i.e. €295.82 per consumer, per resolved case. Four consumers managed to reach a resolution with the car rental company after lodging their complaints with ECC Ireland. 10 cases were not resolved and five referred to the relevant Alternative Dispute Resolution body. 12 cases could not be pursued due to lack of evidence to support the consumer's claim or because it was considered that the trader should be contacted in another country (for instance in cases where the consumer had booked the rental car with an intermediary). Finally, there were two cases of fraud and one case where the company had gone into liquidation, in which ECC Ireland was unable to offer further assistance to the consumers.



## Car Rental: CASE STUDIES

A UK consumer made a reservation for a car rental in Turkey through a company based in Ireland. The consumer paid a deposit and was provided with a car rental voucher. Upon arrival at the airport in Turkey, the consumer was informed by the car rental agent that they had no record of his booking. After keeping the consumer and his family waiting for two hours at the airport and trying to locate a vehicle, the car rental agent failed to provide a car. The consumer felt he had no other option but to take a taxi to the hotel instead. The consumer later requested the car hire company in Ireland to reimburse the expenses incurred as a result. However, no response followed and the consumer decided to contact ECC UK. ECC UK sought assistance from ECC Ireland, which in turn contacted the company on the consumer's behalf. The trader agreed to refund the costs incurred by the consumer in respect of taxi transportation, placement fee and telephone calls.

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An Irish consumer rented a vehicle from a car rental company in the UK and paid a deposit of £800 GBP. Despite the fact that the car was returned on time and in perfect condition, a few weeks later the consumer still had not received his deposit. The trader apologised for the delay in returning the deposit and informed him that it was due to 'problems with the system'. The consumer sought assistance from ECC Ireland. Following intervention of our counterparts in the UK, the trader returned the deposit in full.

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An Irish consumer rented a car during holidays in France. The consumer's car was hit by another vehicle when parked. The party causing the damage admitted liability on the spot. The consumer contacted the trader by telephone immediately after the accident and described what had happened. The car rental agent assured her that no charges would be made in respect of this incident and that her only responsibility was to ensure that the appropriate accident documentation was completed. Despite the assurances given by the trader and the fact that the consumer followed all the formalities indicated by the car rental agent, she was charged a damage surcharge of €315.56 and a damage administration fee of €41.80. After her return to Ireland the consumer was in correspondence with the car rental company, but no refund was received. The consumer contacted ECC Ireland, which brought this matter to the attention of ECC France. Our counterparts in France contacted the trader on the consumer's behalf and requested that the matter be brought to a prompt resolution. Following their intervention, the consumer was refunded in full.

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A French consumer rented a car in Ireland and during his rental period encountered a mechanical problem relating to the clutch. An incident report was sent to the car hire company explaining that it was "Impossible to change gears on the clutch and the pedal was very hard to push". Three weeks later the consumer received a damage report and it explained that while the consumer had chosen the super cover insurance, it alleged that the damage to the clutch was his fault and it was not covered under the super cover insurance. The consumer was consequently debited for the total cost of repair amounting to €773.89. The consumer requested the assistance of ECC France. The details of the complaint were passed on to ECC Ireland, which contacted the trader on the consumer's behalf. Following our intervention, the car hire company refunded €773.89.

# Main Problems Encountered

Emma Byrne, Adviser



## Entertainment Services

Complaints relating to entertainment services made up the fourth most common area of consumer complaint in 2010, as it did in 2009, amounting to 5.8% of the total number of cases where intervention by ECC Net was required. This category principally involves complaints relating to digital television subscriptions and online ticket purchases for concerts and sporting events. It also includes complaints relating to the purchase of recreational items, such as musical instruments, sports equipment, games and software.

More than 70% of the cases dealt with under this category involved a digital satellite TV broadcaster based in the UK. Of these cases, 35% relate to supplementary charges (e.g. additional fees when there is no signal from the consumer's digital receiver boxes, or consumers charged even though subscriptions have been cancelled). A further 31% relate to double charging (e.g. consumers decide to upgrade their subscription and do not realise that their current account is not upgraded but a new account is opened instead so they end up paying for two accounts). 17% of cases relate to the service provided (e.g. cards not delivered, or problems with reception, or channels not provided). 7% relate to price increases while 10% reflect a variety of other complaints made by consumers.

The remaining items under Entertainment Services relate to the purchase of recreational items and amount to 17% of the total for this category. The main areas of complaint here relate to delivery and goods which are either not in conformity with the order or defective.

Complaints relating to the purchase of tickets amount to 7% of the total for this category and the main problems experienced by consumers here relate to delivery or the receipt of invalid tickets.

Within this category 54% of cases were resolved in favour of the consumer, securing refunds of €4,110.83.





## Entertainment Services: CASE STUDIES

An Irish consumer entered into a contract with a UK-based digital television provider to allow him to receive a multi-room subscription. The equipment necessary to receive the service was installed by the technician approved by the digital television provider in August 2006. However, the equipment was not installed correctly and as a result the consumer was charged an additional multi-room fee of €14.75 per month. This amount increased later to €51.00 per month. At no time did the trader notify the consumer of the additional charges or the increase to the monthly payments. When contacted by the consumer, the trader offered to refund €500. The consumer however sought reimbursement for €2,591.76 and contacted ECC Ireland for assistance. We brought this complaint to the attention of our counterparts in the UK, which in turn contacted the trader on behalf of the consumer and managed to secure a refund of €2,370.00.

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An Irish consumer subscribed to a digital television package with a UK-based digital television provider in February 2010, but did not receive his viewing card. The trader continued to charge the consumer for a service which the latter was unable to use. Despite having communicated the problem to the digital television provider on many occasions, the viewing card was not provided for more than 4 months. When the consumer requested a cancellation of his subscription, he was informed that an early-cancellation fee would follow as the contract was signed for a minimum period of 12 months. The consumer decided to seek the assistance of ECC Ireland. The complaint was passed on to our sister office in the UK, which in turn contacted the trader on the consumer's behalf. Following their intervention, the matter was resolved, the viewing card was finally provided and a refund of the funds paid was processed.

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An Irish consumer booked two tickets to see a Leonard Cohen concert in France. After the payment of €256 for the tickets was made, the consumer was informed that the concert had to be re-scheduled and that the consumer would hear from the trader shortly. The trader, however, failed to notify the consumer about the new date and time and as a result the consumer missed the concert. The consumer requested a full refund, but the trader refused, arguing that an email notification was sent to the consumer. The consumer felt he had no other option but to seek the assistance of ECC Ireland. Following the intervention of ECC France, the consumer received a full refund.

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An Irish consumer placed an online order with a UK trader for sports equipment, for a total cost of €114.90, including express delivery. The item in question was never delivered and the consumer requested a refund. However, despite the trader's assurances that the refund had been issued, the consumer was not refunded for the item. The consumer requested the assistance of ECC Ireland. The details of the complaint were passed on to our colleagues in the UK and following their intervention a full refund was received.

# Main Problems Encountered

Caroline Curneen, Adviser



## Communications

Communications were the fifth largest area of complaint in 2010, representing, 5.5% of the total number of complaints requiring further assistance by ECC Net staff. The entry of this topic into the top five was mainly due to multiple claims received by ECC Ireland in relation to two specific problems encountered in 2010, although, given recent technological advances, it would not be surprising if this area attains more and more significance in future.

The two main problems encountered concerned mobile phone services. The first involved an SMS premium rate subscription service where consumers entered a competition unaware that they were entering into an expensive on-going arrangement with the trader whereby they would receive daily text messages. The second concerned the selling of cloned, or otherwise compromised, SIM cards of a large Irish mobile phone network on an online auction site. Consumers spent money topping up these cards which were subsequently deactivated by the trader. These two problems represented 70% of all complaints received under this heading. Other issues complained of in this category included defective mobile phone handsets, online fax services and telephone service providers.

This area of complaint is categorised by relatively low value claims and a high success rate in the resolution of the complaints received. For example 82.5% of the complaints received under this heading were resolved successfully in 2010 with the average claim around €73. Although the level of consumer detriment may sometimes, though not always, be quite low in this category, especially when compared to other sectors such as car purchase, the willingness of traders, in general, to resolve such complaints is encouraging for consumers. Of course it is important to bear in mind that these observations only relate to the cases dealt with by ECC Ireland in 2010.

Due to the relatively high degree of engagement from traders and effective regulation in this area, it is one which, in our view, is well suited to the development of alternative dispute resolution (ADR) mechanisms. In fact, 22.5% of the cases reported under this heading were successfully resolved through an ADR body based in Finland.





## Communications: CASE STUDIES

A Finnish consumer saw an advertisement in a magazine for a competition to win a BMW run by an Irish premium rate mobile phone service provider. She entered the competition via text message. In the following weeks she began to receive SMS messages every day for which she was charged. The small print in the advertisement advised that by entering the competition via text message you enter into a 'club' to receive premium rate messages every week. The consumer contacted ECC-Net and the case was brought to an ADR body in Finland. After an investigation the consumer received a refund.

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A Dutch consumer purchased a SIM card of an Irish mobile phone network from a seller on an online auction site. When the consumer registered the card and topped up with credit he noticed that it was registered in a different name. Nonetheless the card worked perfectly for a number of weeks until it was deactivated. It appeared that the card had been compromised and as a result the consumer had been able to obtain a much discounted rate on his calls. The Irish mobile phone company refused to reactivate the card or restore the consumer's credit. The consumer contacted ECC Netherlands who sought assistance from ECC Ireland. ECC Ireland contacted the trader and argued that the consumer had purchased the card in good faith and, through a technical glitch or otherwise, had been permitted to top up his card and make calls. The trader agreed to issue the consumer a new SIM card loaded with the outstanding credit balance.

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An Irish consumer bought a smart phone on a French website. The product developed a fault after a few months. The trader advised the consumer to contact the manufacturer who repaired it twice but the problem was not resolved. The consumer contacted the trader again but was advised it is too late for replacement or refund. ECC Ireland requested assistance from ECC France which contacted the trader on the consumer's behalf. The trader agreed to provide the consumer with a replacement phone.

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A French consumer created an account with an Irish online fax service. He sent several emails to request cancellation of his subscription but the trader continued to debit his account. The consumer sought assistance from ECC France in order to obtain effective cancellation of the contract and a refund of the three months subscription deducted in error. ECC Ireland contacted the trader on the consumer's behalf who confirmed that an error had occurred and agreed to refund the consumer the incorrectly charged amounts.

# Alternative Dispute Resolution (ADR)

Susan Dowling, Dispute Resolution Adviser



## Introduction

When ECC Ireland is unable to resolve a complaint with a trader, we will assist the consumer to locate an Alternative Dispute Resolution (ADR) scheme and, with the consent of the consumer, refer their complaint to an ADR body, where available. ECC Net is also committed to the development of ADR across Europe and each ECC within the network carries out a number of activities in this area on an annual basis.

## Notification of ADR Bodies to the European Commission Database

The European Commission encourages, through two Recommendations<sup>4</sup>, the development of ADR schemes in each Member State. Each Recommendation contains a set of principles to which an ADR body agrees to adhere. Both Recommendations ensure that ADR bodies offer all parties involved guarantees of a certain level of service. The ADR bodies, which are considered to be in conformity with the Commission's Recommendations, are placed on a central database on the website of the European Commission's Directorate General for Health and Consumers.

As the National Consumer Agency (NCA), the body with a statutory remit to promote the development of ADR in Ireland, was engaged in research on the current state of ADR in Ireland during 2010, with a view to determining future policy in this area, ECC Ireland agreed not to proceed with the notification of any existing Irish ADR bodies to the European Commission's database until the NCA published the findings of its research in this area. Instead ECC Ireland focussed on contributing to the NCA's research by reviewing ADR in other EU Member States and identified examples of best practice in this area. The Netherlands was chosen as a country with a particularly strong system of ADR, and ECC Ireland's Dispute Resolution Officer visited the Netherlands in February 2010 to learn more about the operation of

ADR there. She visited the Foundation for Consumer Complaints Board, which covers a wide range of industry sectors, including key industries such as airlines and, with the assistance of ECC Netherlands, produced a report on the Dutch system of ADR which was sent to the NCA for inclusion in its report on this subject.

## Small Claims Arbitration Scheme for Business to Business Cross-Border Disputes B2B ADR Pilot Project

Arising out of the recommendations of ECC Ireland's 2008 report on *The development of Alternative Dispute Resolution, an analysis of complaints, best practices and future recommendations*, in 2010 ECC Ireland concentrated on the need to promote the benefits of ADR to the business community. Our aim was to raise awareness of the advantages of using such schemes for both consumer to business (C2B) disputes and business to business (B2B) disputes. In association with the Bar Council of Ireland, it was agreed to run a pilot project using the Bar Council's Small Claims Arbitration Scheme (SCAS) to test the application of ADR in the resolution of B2B disputes. A number of such disputes were processed by SCAS and the results analysed with a view to attaining a greater understanding of business perspectives on ADR and how to promote the use of such mechanisms in the future.

The resulting report allowed ECC Ireland to understand that the problem of a lack of business participation in ADR is not limited to consumer transactions alone but also involves business to business transactions. The report recommends that SCAS and the European Enterprise Network work together on a follow-up B2B ADR pilot project to better promote the use of ADR among the business community.

<sup>4</sup>Commission Recommendation 98/257/EC on the principles applicable to the bodies responsible for out-of-court settlement of consumer disputes and Commission Recommendation 2001/310/EC on the principles for out-of-court bodies involved in the consensual resolution of consumer disputes.



## Case Handling

During the year ECC Ireland also engaged in a wide range of promotional activities designed to improve awareness of ADR in Ireland. These included articles in the national media and ECC Ireland's online monthly eBulletin, as well as the creation of ADR leaflets for consumers and businesses which are available from our website at [www.eccireland.ie](http://www.eccireland.ie).

Staff of ECC Ireland attended a number of events relating to ADR, both in Ireland and Brussels. These included a meeting of the Royal Institute of Architects of Ireland Architects Council of Europe Work Group on Dispute Resolution and attendance at a workshop hosted by the European Commission which examined a proposal for the creation of an EU-wide online dispute resolution system for e-commerce transactions. In November the Irish Law Reform Commission launched its report *Alternative Dispute Resolution: Mediation and Conciliation* with a view to promoting the use of ADR processes. ECC Ireland's Dispute Resolution Adviser responded to the Law Reform Commission during the consultation phase of the report. ECC Ireland also met with the Department of Enterprise, Trade and Innovation which is responsible for notifying Irish ADRs to discuss the possibility of introducing a faster notification process for ADRs in the Government sector and gave feedback to the Department of Justice, Equality and Law Reform in relation to the Irish transposition of European Directive 2008/52/EC on certain aspects of mediation in civil and commercial matters.

When ECC Net is unable to resolve a complaint we will advise the consumer of any ADR scheme which may be available in Ireland or another EU member state and, with the consent of the consumer, we will refer their complaint to the ADR body.

In 2010, 115 complaints could not be resolved with the direct assistance of ECC Ireland, and were referred to the Dispute Resolution Adviser to ascertain if there was an appropriate ADR Body available. In total 38 cases were referred to ADR. In the remaining 77 cases consumers were advised to take their complaint to the European Small Claims Procedure.

Of the 38 disputes, 26 were against Irish traders and all were referred to ADR. The ADR bodies to which cases were sent included the Commission for Aviation Regulation, the Car Rental Council of Ireland and the Financial Services Ombudsman. In the case of seven disputes involving complaints made by Finnish consumers against an Irish retailer, ECC Finland was in a position to refer these disputes to the Finnish Consumer Complaint board and all cases were resolved successfully.

In total €9,930.07 was claimed on behalf of consumers. 12 disputes amounting to €5,357.16 were referred to the Commission for Aviation Regulation. A total of €1,530.65 was obtained through Irish ADR bodies on behalf of consumers from another EU Member State.

ECC Ireland referred a further 12 disputes on behalf of consumers to ADR bodies in other Member States. The countries concerned were Germany, Hungary, Italy, Portugal, the Netherlands and the UK. Of these cases, four were resolved through ADR and a total of €1,215.59 obtained for the consumers concerned. In five instances the trader refused to participate in the procedure, while for the remaining disputes the outcome is unknown.



ADR leaflets for business and consumers created by ECC Ireland.



## ADR: CASE STUDIES

An Irish consumer rented a villa in the Netherlands. The villa was advertised as offering 'VIP style' luxurious accommodation. Based on this description, the consumer decided to rent this particular villa. Upon arrival, the villa was found to be dirty and it looked nothing like the photographs provided in the catalogue. The consumer took photographs and also filmed the villa, making a formal complaint to the management of the rental company. At the time the trader agreed that there was some difference between the photographs and the actual property and agreed to refund €150 to settle the dispute. This offer was rejected by the consumer as the cost for the rental of the property was €1,479.79.

The case was shared with ECC Netherlands. ECC Netherlands contacted the trader on the consumer's behalf but they refused to increase their offer of €150. ECC Netherlands referred the matter to the Dutch ADR Complaints Board for Leisure. The fee for this service is €50 and paid by the consumer. The complaints Board for Leisure gave the trader one final opportunity to resolve the dispute and an offer of €750 compensation was made. The consumer accepted this offer and the dispute was resolved successfully.

A British consumer hired a car in Ireland for nine days. At the end of the rental period, the consumer returned the vehicle but forgot to leave the keys. The consumer sent the keys by courier on the same day as the return of the vehicle and the consumer obtained from the trader a designated address to which the keys were sent. The trader claimed that they intended to charge the consumer for two additional days rental costs as the keys were not returned within the first day. The consumer could prove that the keys were delivered within 24 hours of the return of the car but the trader failed to respond to the consumer's correspondence on the matter.

ECC Ireland sent the trader a number of emails requesting a refund of the money charged for the additional rental period. When no reply was received the case was referred to the Car Rental Council of Ireland, an ADR body that hears car rental cases. The Car Rental Council of Ireland found in favour of the consumer and refund of €35 was issued to cover the cost of the additional day's rental.

An Irish consumer bought a computer from a German online retailer for €1,200. Three months after purchase the PC would not start. It was established that this was due to a faulty motherboard and the trader asked the consumer to send the faulty part to them. Upon receipt of the part the trader informed the consumer that the motherboard was not defective and the fault was due to mechanical damage caused by the consumer. The consumer denied this and requested a new computer or a full refund of €1,200. ECC Ireland shared the case with ECC Germany but ECC Germany could not reach an amicable resolution with the trader and the complaint was referred to an online ecommerce ADR. The ADR reached an agreement with the trader and a refund of €140 to cover the cost of replacing the faulty component was proposed and accepted.

An Irish consumer booked flights and accommodation through an online intermediary. When he checked his credit card statement he realised he had been charged €155.59 more than the price quoted on the website. This was caused by the trader's mistake in indicating a price in Euro and then charging in Sterling. ECC Ireland shared the case with our UK counterpart and ECC UK referred the case to ABTA, the Association of British Travel Agents. Following the intervention of ABTA, the trader agreed to refund the consumer for the overcharged amount.

## Assistance with Services

Emma Byrne, Services Directive Manager



Directive 2006/123/EC on Services in the Internal Market ('Services Directive') aims to release the growth potential of services markets in Europe by removing legal and administrative barriers to trade in the services sector. Services account, in most Member States, for 70% of GNP and employment. The Services Directive was transposed into Irish law in November 2010 by The European Union (Provision of Services) Regulations 2010 (S.I. No. 533/2010).

The Services Directive seeks to facilitate the provision of services across Europe and increase consumers' confidence when availing of services offered by businesses from anywhere within the EU. To achieve this objective a number of measures have been put in place. Article 21 of the Directive states that:

"Member States shall ensure that recipients can obtain, in their Member State of residence, the following information:

- (a) general information on the requirements applicable in other Member States relating to access to, and exercise of, service activities, in particular those relating to consumer protection;
- (b) general information on the means of redress available in the case of a dispute between a provider and a recipient;
- (c) the contact details of associations or organisations, including the centres of the European Consumer Centres Network, from which providers or recipients may obtain practical assistance."

Following negotiation with the Department of Enterprise, Trade and Innovation, ECC Ireland was designated an Article 21 Body for Consumers while the Galway branch of the Enterprise Europe Network provides that service for business. A memorandum of understanding was signed between the Department and ECC Ireland in December 2009 defining the terms of the role and ECC Ireland assigned a member of staff, Emma Byrne, to undertake Services Directive work, as the Services Directive Adviser. Emma Byrne represented ECC Ireland at the initial meeting of Article 21 bodies organised by DG Internal Market and held in Brussels in November 2009.

As the Directive was not implemented in Ireland until November 2010, the focus of our work during the year was to put in place the resources needed to properly fulfill our role and, while responding to Services Directive queries received from consumers, we did not actively promote our new role until the Directive was fully implemented.

In 2010 an initial meeting was held with the Internal Market Unit of the Department of Enterprise, Trade and Innovation to discuss the role of the Article 21 bodies. In consultation with the Department, ECC Ireland designed a new Services Directive section for our website, accessible from our homepage at [www.eccireland.ie](http://www.eccireland.ie), and the Services Directive section of the site was ready to go live as soon as the Statutory Instrument giving effect to the Directive was signed by the Minister on the 10th of November 2010. The publication of the Statutory Instrument was also marked by a press release issued by ECC Ireland and sent to all our media contacts.

The Services Directive Adviser attended a meeting organised by DG Internal Market on Article 21 of the Services Directive on assistance to services recipients – cooperation between designated bodies, and held in Brussels in October 2010. She also attended a training course on the Services Directive organised by the European Academy of Law.

ECC Ireland submitted two questionnaires to DG Internal Market in 2010 on *Article 21 Bodies: State of play and future developments* and *Article 20, paragraph 2 of the Services Directive: Application of implementing provisions in individual cases*.

ECC Ireland staff attended a workshop jointly hosted by the Minister for Enterprise, Trade and Innovation, Batt O’Keeffe TD, and Internal Market Commissioner Michel Barnier on the operation of Internal Market rules, which took place in November 2010. This workshop provided a forum for an exchange of views on current EU operational issues and the Irish performance.

Despite the fact that the Services Directive was not implemented in Ireland until November 2010 ECC Ireland fulfilled its role as an Article 21 Contact Point for consumers throughout the year, responding to requests for information received from other Article 21 Contact Points and Irish consumers. We projected a total of 50 Information Requests falling under the Services Directive during 2010 and this target was exceeded by 20%, with 60 queries received, despite the absence of promotion of this new role nationally until the implementation of the Directive in Ireland at the end of the year. ECC Ireland received requests for information from Irish consumers, as well as from Article 21 bodies in other Member States, with requests on Irish legislative requirements in the area of services regulation. In addition, ECC Ireland continued to assist consumers through ECC-Net, given that a significant proportion of consumer complaints received are in fact services.





## Assistance with Services: SAMPLE QUERIES

### Article 21 bodies:

Requests for information were received from the German Article 21 Body on Irish timeshare legislation and from the UK on the regulation of tattooists.

### Consumer contacts falling under the Services Directive include the following:

A consumer tried to lodge a claim online using the Moneyclaim service in the UK. After paying the fee and registering he found that he could not log in. Moneyclaim informed him that he could not use the service as he did not have an address in the UK and that if he did not give a suitable address within 14 days his claim would be struck out and he would lose his £70. Although the Courts Service as such may be excluded from the scope of the Directive, it should be noted that the money claim online scheme is operated by a private contractor.

A consumer wanted to purchase a holiday to Turkey on offer with a UK travel agent. She attempted to purchase the holiday online but was refused as she is resident in Ireland. She contacted ECC Ireland to know whether the trader could refuse to sell her the holiday if she travelled to their office in Belfast to purchase it. The consumer was advised in relation to Article 20 of the Services Directive and told that the trader would be in breach of the Directive if they refused to sell her the holiday if she travelled to Belfast. The consumer was advised to write to the trader requesting an explanation for their refusal to supply and explaining her rights under the Service Directive and was offered assistance if the response was not satisfactory.

A consumer bought an apartment in Italy through a UK legal firm. He discovered that the apartment he bought is not the one he believed he was buying but the UK firm refused to return his money. ECC Ireland recommended him to contact the Law Society of England and Wales on this matter. It later transpired that the firm in question was based in Sicily so details of the Consiglio dell'Ordine degli Avvocati di Palermo were provided.

A consumer joined a dating website and in order to receive messages he had to be a subscribing member and pay membership fees. He received a message that appeared to be from another member and to read it he paid the membership fee. He found that the message was just spam generated from the site. He contacted the trader who refused to refund him. As the consumer was resident in the Netherlands and the trader is in Luxembourg, ECC Ireland referred him to ECC Netherlands for further assistance.

A Portuguese consumer resident in Ireland tried to book a flight with an Italian airline. On the web home page, users are asked to select a country. The consumer selected Ireland. The reservation could not be completed, apparently because the credit card used was Portuguese rather than an Irish one. The consumer could eventually book the flight by changing the country on the home page but the price had gone up. The consumer was encouraged to write to the airline for an explanation and further assistance was offered if the response from the airline was not satisfactory.

# Communications Activity

Caroline Curneen, PR & Marketing Manager



## Introduction

In 2010 ECC Ireland's priority was to raise awareness among consumers of the services offered to them by the ECC, as well as to consolidate our reputation as an expert in European consumer affairs.

## Media

ECC Ireland attracted an exceptional level of media attention during 2010. The widespread travel disruption caused by the volcanic eruption in Iceland ensured that air passengers rights was the focus of considerable media attention. Thousands of Irish passengers were stranded overseas and ECC Ireland was committed to getting the message out to consumers that even in these unusual circumstances, their air passenger rights continued to apply. During this period ECC Ireland staff contributed to 4 television programs, 36 radio interviews and 10 press features.

In November ECC Ireland ran a campaign on safe online shopping. Research had found that Irish consumers intended to spend over a third of their Christmas budget on items from online stores and our campaign was aimed at ensuring consumers were equipped with the knowledge to shop safely online and avoid any potential hazards. We ran advertisements on fifteen regional radio stations and issued a press release and two eBulletins on the subject. The campaign received coverage in national newspapers and we contributed to over 19 radio interviews on the topic.

Other items that received significant attention included dangerous children's clothing, scams, particularly one involving car cloning, and car hire.

During the year ECC Ireland continued its activities aimed at building awareness of consumer rights, and the work of ECC Net, issuing a record thirteen press releases on a variety of issues. Several of our press releases were issued jointly with European Commission Permanent Representation with which we continued to work closely in 2010.

In February ECC Net held a media workshop in Brussels to exchange experiences and best practices in the field of communications. The PR and Marketing

Manager of ECC Ireland chaired the session on 'media relations' and shared our experience of working with the media in Ireland.

## Online

### [www.eccireland.ie](http://www.eccireland.ie)

ECC Ireland's website received 36,800 unique visitors during 2010 which is 6% above our target for the year. In previous years we analysed the number of hits our website achieved which resulted in a substantially higher figure. In order to more accurately measure how the website is performing, we changed the way we carry out our web monitoring in 2010. We decided to focus on distinct visitors to the site, rather than the amount of pageviews or hits. As multiple hits can be generated by the same person, by tracking unique visitors only, we can achieve a more accurate view of how much traffic our website is receiving.

The website is updated daily by ECC Ireland staff and allows consumers access to information on a huge range of consumer issues, including air travel, package holidays, shopping online and roaming charges. The site contains an online complaint form and contact form which allow consumers to contact us with queries or problems. Its frequent use during the year meant that ECC Ireland was accessible to consumers even outside our office hours. The cross-border complaint form which is linked directly to the European Commission's shared database of consumer complaints has proved popular with consumers since it was added to the site last year.

2010 saw ECC Ireland join Boards.ie as part of the Talk to EU project which is funded by the European Commission Representation in Ireland. The online forum site which has 900,000 regular users in Ireland can be used by consumers experiencing problems to access advice from trained ECC Ireland staff. The questions and answers remain on the site and are visible to other users so act as an archive of consumer-related information.

### eBulletin

The eBulletin increased its subscription by over 26% during 2010, rising from 1,320 subscribers to 1,673 by the end of the year. It is issued on a monthly basis,



Media Relations session of the ECC Net communications workshop held in Brussels and chaired by *Caroline Curneen*.



Screengrab of ECC website – [www.eccireland.ie](http://www.eccireland.ie)



ECC publications – *Summer Survival Kit* and *Travelling to Spain* guides.

covering different topics of consumer interest, along with answers to consumer queries, and is a useful means of highlighting any issues of concern. In 2010 we redesigned the format of the eBulletin to improve its appearance. We also added a new section entitled ‘Success Story of the Month’ in which we profile a case study of a consumer complaint we have solved that month. The eBulletin received a strong response from its recipients, both among the media and consumers.

## Radio advertising

In November ECC Ireland carried out a radio advertising campaign on fifteen local radio stations throughout the country as part of our safe online shopping campaign. The advertisements outlined simple tips for consumers to bear in mind when shopping online and their timing was chosen to ensure that they reached our target audience. The campaign was highly successful, and resulted in a marked increase in the number of consumer contacts received by the ECC during this period.

## Publications

### Summer Survival Kit

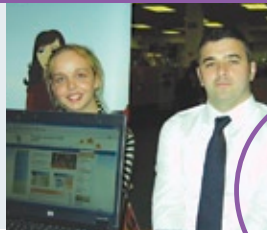
As consumers regularly contact ECC Ireland with problems encountered on holiday, a *Summer Survival Kit* was produced to help consumers avoid unnecessary expenses and inconveniences while on holidays in Europe. The guide provides handy hints on how to save money when travelling and advice on consumer rights, and was the focus of a good deal of media interest, particularly with local radio stations.

### Travelling to Spain

As Spain is Ireland’s favourite holiday destination, ECC Ireland published a consumers’ guide to travelling to Spain in 2010 covering topics such as healthcare, shopping and your rights when things go wrong. The publication was a joint project with ECC Spain which in turn published a guide for Spanish consumers visiting Ireland, with content prepared by ECC Ireland.

During 2010 all ECC Ireland’s leaflets were sent to the local library network and to Citizens Information Centres to raise awareness of consumer rights and the services provided by ECC Ireland.

# Working Together



## Introduction

ECC Ireland is part of ECC Net, a pan-European network stretching across twenty-nine European countries. Being part of the network allows us to address consumer problems right across the EU internal market and beyond, thus building confidence among consumers and encouraging cross-border consumer transactions. At national level ECC Ireland enjoys partnerships with key consumer organisations ensuring effective exchange of information and maximising the resources available for problem solving in core issues of consumer concern.

## Cooperation Ireland

### National Consumer Agency

On-going cooperation continued during 2010 with our national funders, the National Consumer Agency, and a number of meetings were held in relation to financial and administrative matters. Regular contact was maintained throughout the year with information provided by ECC Ireland in relation to complaints received against Irish traders.

### European Commission Representation

ECC Ireland continued its close relationship with the European Commission Representation in 2010. Two separate meetings were held with the Press Office of the Commission Representation, one at the beginning of the year concerning ECC Ireland's 2010 media strategy and the undertaking of joint actions, and the second meeting focussing on ECC Ireland's Safe Online Shopping Campaign in November. Arising out of the first meeting it was decided to run a joint project, TalktoEU, a forum on the website [www.boards.ie](http://www.boards.ie).

ECC Ireland's Director met the newly appointed head of the European Commission Representation, Barbara Nolan, to discuss the consumer environment in Ireland and ECC Ireland's planned activities. It was agreed that the Commission Representation would assist ECC Ireland in the organisation of a conference on the rights of older consumers to mark Consumer Day in 2011.

## Courts Service

ECC Ireland carried out a research project examining the first year of operation of the European Small Claims Procedure in Ireland. We contacted every District Court Registrar in Ireland to gather information about the operation of the procedure in their court and, arising from the data obtained, attended a meeting with the Courts Service staff to obtain feedback from them in relation to the working of the European Small Claims Procedure in Ireland. The meeting was also attended by the Legal Adviser of the National Consumer Agency and the Citizens Signpost Service Representative of the European Commission Representation. The report was published by ECC Ireland as *European Small Claims Procedure, First Year of Operation in Ireland* and circulated to stakeholders in the European Commission, the Department of Justice, the Department of Enterprise, Trade and Innovation, the National Consumer Agency and the Courts Service. It is available on our website at [www.eccireland.ie](http://www.eccireland.ie).

ECC Ireland's Legal Adviser and Director met with the European Judicial Network in October 2010. The European Judicial Network in Civil and Commercial Matters aims at simplifying judicial cooperation between Member States and facilitates relations between different courts with a view to making access to justice easier for persons engaging in cross-border litigation. There are two staff members representing the EJN in Ireland, one each for the District and High Courts. The meeting was an introductory one discussing the role of both networks and defining areas of possible mutual interest and it was agreed that an annual meeting would be held from 2011 onwards.

*Lynnsey Delaney and Sean Gleeson of ECC Ireland at their presentation at the Central Library in Dublin.*

## European Information Exchange Group

This group is comprised of organisations based in Ireland with a European focus and includes SOLVIT, FIN-Net, the Citizens Signpost Service, Enterprise Europe Network, the European Commission Representation and ECC Ireland. Among the topics discussed at the meetings in 2010 were the implementation of the Services Directive, the establishment of a collective approach in relation to real estate queries, the European Judicial Network in Civil and Commercial Matters, ECC Ireland's report on the European Small Claims Procedure in Ireland, ECC Ireland's joint ADR project with the Enterprise Europe Network, and a strategy for the mutual signposting of queries.

## Other

General cooperation and communication also continued with all relevant consumer organisations, including meetings on a variety of issues with the Consumers' Association of Ireland, the Department of Enterprise, Trade and Innovation, the European Movement, the Consumer Council of Northern Ireland and Dolceta.

During the year ECC Ireland gave training on consumer issues to the information officers of FLAC, the Free Legal Advice Centre, and Dublin City Centre Citizens Information Service, with a view to increasing referrals to ECC Ireland. We also gave presentations at the Business Information Centre of the Central Library in Dublin's ILAC Centre and to the University of the Third Age network, an informal learning group for older people. We provided information materials for the Europe Day event of the Europe Direct Centre in Tipperary public library.



## Cooperation Europe

During 2010 ECC Ireland played an active role in ECC Net. Staff attended regular ECC Net Directors Meetings organised by the European Commission and remained in close contact with the other European Consumer Centres throughout twenty-nine European countries.

ECC Ireland was invited to participate in the conference held to mark the fifth anniversary of the establishment of ECC Net in Poland in May 2010. ECC Ireland was chosen as we have a long experience of the network, having been in existence since 1999, and as a result ECC Poland based many of the features of their office on the Irish model. Anna Heryan, our Polish-speaking adviser, attended the conference and gave a presentation on the work of ECC Ireland. ECC Ireland's information materials were also distributed at ECC Poland's stand for the Schuman's parade on May 9th, Europe Day in Warsaw.

ECC Ireland staff also attended the seventh annual Cooperation Day of ECC Net held in Palma de Mallorca to mark the Spanish presidency of the EU. Cooperation Day provides ECC Net with the opportunity to discuss matters of interest in core service areas such as case handling and in 2010 ECC Ireland's Legal Adviser, Juan Bueso, was a member of the working group which developed a new Case Handling Protocol which sets out uniform standards of case handling to be observed across the network. Following a vote of the network at Cooperation Day it was agreed to adopt the Case Handling Protocol on a trial basis up to the end of the year and in December 2010 the Commission recommended the adoption of the document as formally binding on the network. ECC Ireland staff also presented our research work on the first year of the operation of the European Small Claims Procedure in Ireland at the Palma meeting.

The Legal Adviser of ECC Ireland was invited to give a presentation at a conference on EU Passengers' Rights, dealing with conflicts, complaint handling, ADR, small claims procedure, collective redress organised by ERA, the European Academy of Law, and held in Trier from December 9-12.

## ECC Ireland attended the following events in 2010:

### Training courses

- Academy of European Law, European Contract Law – Trier, February
- PR and Lobbying course BEUC – Brussels, February
- Media and Presentation course BEUC – Brussels, March
- European Academy of Law, Services Directive – Trier, March
- How to write project proposals, BEUC – Brussels, May
- Project Management and Funding, BEUC – Brussels, June
- Consumer Redress, BEUC – Brussels, September
- Academy of European Law, European Consumer Law Conference – Trier, October
- Competition Policy, BEUC – Brussels, October

### Other events

- European Consumer Summit – Brussels, March
- Spanish Presidency Event, European Consumer Day Enforcement of Consumers' Rights – Madrid, March
- Royal Institute of Architects of Ireland, Architects Council of Europe Work Group on Dispute Resolution – Dublin, May
- Spanish Presidency Conference on Global Consumer Product Safety – Palma, June
- European Commission Workshop on Alternative Dispute Resolution (ADR) – Brussels, November
- The Law Reform Commission's Report on Alternative Dispute Resolution – Dublin, November
- Seminar presentation: Air Passenger Rights – Trier, December



**ECC Ireland Director and Legal Adviser at the ECC Net Directors Meeting in Brussels, addressed by the Commissioner for Health and Consumers, John Dalli, October 2010.**



**ECC Ireland staff participating in the conference held to mark the fifth anniversary of ECC Net in Poland, Warsaw May 2010.** Pictured from left to right are *Piotr Stanczak*, Director of ECC Poland, *Elzbieta Seredynska*, Adviser, ECC Poland, *Anna Heryan*, Adviser ECC Ireland, *Malgorzata Furmanska*, Legal Adviser ECC Poland, *Ondrej Tichota*, Communication Adviser, ECC Czech Republic, *Martin Rezek*, Adviser, ECC Czech Republic), *Alicja Tatarczuk-Nowik*, PR & Marketing Manager ECC Poland.

## ECC Net study visits

ECC Ireland hosted study visits from ECCs Bulgaria and Estonia and staff from these centres also attended a seminar on alternative dispute resolution organised by the Royal Institute of Architects of Ireland. We welcomed staff from ECC UK, our most important partner in the network in terms of shared cases, and discussion focussed on case handling, with sessions on ADR and marketing. We also received a visit from ECC Netherlands in December 2010.

ECC Ireland staff travelled to Kehl in Germany to visit ECC France and Germany which share premises in that city. ECC Ireland's Dispute Resolution Adviser travelled to the Netherlands in February in a visit which focussed on ADR. Susan Dowling visited ECC Netherlands and the Dutch Foundation for Consumer Complaints Boards. The Director of ECC Ireland participated in a joint study visit, along with ECCs Belgium, Latvia and the Netherlands, to ECC Italy. ECC Ireland staff also attended a reception at the European Parliament to celebrate the fifth anniversary of ECC Net and met with Irish MEPs and their staff.





**ECC Net Cooperation Day Palma de Mallorca, June 2010.**



**Study visit to ECC Ireland from ECCs Bulgaria and Estonia.** Pictured from left are *Susan Dowling, Caroline Curneen, Lynnsey Delaney, Anna Heryan* and *Ann Neville* from ECC Ireland, *Iva Bozhilova*, adviser and *Albena Palpurina*, Director, ECC Bulgaria and *Reelika Aia*, adviser, and *Silvia Ustav*, acting Director, ECC Estonia.



**Study visit to ECC Italy.** Pictured from left to right are *Edith Appelmans*, Director, and *Ibtissame Benlachhab*, Legal Adviser, ECC Belgium, *Mario Pisano*, Adviser, ECC Italy, *Aija Gulbe*, Director, ECC Latvia, *Federico Vicari*, Director, ECC Italy, *Janneke Sünnen* and *Nathalie Van der Vorst*, advisers, ECC Netherlands, *Ann Neville*, Director, ECC Ireland, and *Laura Grava*, Legal Adviser, ECC Latvia.

## Legal opinion and Feedback to the European Commission

### ECC Ireland responded to the following consultations in 2010:

- European Commission's Air Passenger Rights Consultation
- DG Markt Evaluation of Missing Links in the Internal Market
- Political Consultation on the future EU 2020 Strategy
- Department of Justice, Equality and Law Reform Consultation on the Irish transposition of Directive 2008/52/EC on certain aspects of mediation in civil and commercial matters
- DG SANCO's questionnaire on the collaboration between ECCs and NEBs in the context of [EC] Regulation 261/2004
- Consumer Policy Evaluation Consortium on behalf of DG SANCO. Review of the ECC Network, with separate contributions by the Board of Directors and the staff of ECC Ireland







EUROPEAN  
CONSUMER  
CENTRE  
IRELAND

Macro Centre  
1 Green Street, Dublin 7

T: +353 1 879 7620

F: +353 1 873 4328

E: [info@eccireland.ie](mailto:info@eccireland.ie)

[www.eccireland.ie](http://www.eccireland.ie)



**national consumer agency**  
gníomhaireacht náisiúnta tomhaltóirí

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