



**ACPF 2024**

المنتدى العربي  
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Arab Consumer  
Protection Forum

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Shared Prosperity Dignified Life



## Session III. Empowering Consumers: Navigating Dispute Resolution, Redress Mechanisms, and Financial Inclusion for Inclusive Development

Directorate - General for Consumers – Portugal

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## Consumer Protection System in Portugal

In Portugal, the **Directorate-General for Consumers** is the public body whose mission is to define and implement consumer protection policy with the aim of achieving a high level of consumer protection.

Amongst its many tasks is the coordination of the network of the “Consumer Protection System” which includes public and private entities that also aim to protect consumers.

Central Public Administration services that implement and promote the enforcement of consumer rights (17)

Enforcement Authorities

Sectorial Regulators

Bodies that regulate a sector of activity, regulating the interests of consumers and businesses. Some have market surveillance functions (14)

Directorate-General for Consumers

ADR Centers

Aim to resolve consumer conflicts, through information, mediation, conciliation and arbitration, with generic regional, national and specialized competence (11)

Could be national, regional or local in scope, and of general or specific interest (8)

Consumers organizations

Municipalities

Ensure the decentralization of information and the identification of local problems, becoming a point of proximity for the consumer (around 100)

## Alternative Dispute Resolution System - EU Level

On 17 October 2023, the European Commission adopted a proposal to review the ADR framework by means of:



1. A proposal of a Directive amending the current ADR Directive (Directive 2013/11/EU) and a proposal of a Regulation to repeal the ODR Regulation (Regulation (EU) No 524/2013);
2. A Recommendation - C (2023) 7019 final - addressed to online marketplaces and EU trade associations having a dispute resolution mechanism and to Member States, on quality requirements for dispute resolution procedures offered by online marketplaces and Union trade associations.

## Alternative Dispute Resolution System EU Level

The objectives of the review are to:



1. **make the ADR framework fit to the digital markets by covering all categories of disputes concerning EU consumer rights**, including matters related to misleading advertising, access to services and unjustified geoblocking;
2. **improve the access to ADR in cross-border disputes through the use of digital tools, assistance to consumers and traders.** To make ADR more accessible to consumers, designated bodies such as the European Consumer Centers Network will assist consumers in understanding and accessing ADR procedures;
3. **simplify ADR procedures to all actors**; including reducing reporting obligations of ADR entities and information obligations of traders whilst encouraging traders to increase their engagement in ADR claims through the duty to reply; Businesses will continue to be free to decide whether to participate in ADR or not. However, if a consumer asks for ADR intervention, the business will be obliged to reply within 20 working days;

## Alternative Dispute Resolution System EU Level (cont.)

The objectives of the review are to:

4. discontinue the ODR platform and replace it by **user-friendly digital tools to assist consumers in finding a redress tool to resolve their dispute;**
5. **encourage online marketplaces and EU trade associations having a dispute resolution mechanism to get aligned with the quality criteria in the ADR Directive.**



The new proposal for a directive also foresees that third-country traders can voluntarily participate in ADR procedures.

Negotiations on these instruments began at the end of last year and the Directorate-General for Consumers is actively involved in them.

## Alternative Dispute Resolution System in Portugal



In Portugal there are 11 Centers which, through information, mediation, conciliation and arbitration, aim to resolve consumer conflicts.

7 have generic regional competence;

2 have generic national competence;

and 2 have specific competence: one in the sector of insurance and the other in the sector of travel agencies.

In Portugal, 13,053 cases were handled by ADR Centers in 2022;

In 2023, 11,607 cases were handled.

## Alternative Dispute Resolution System in Portugal

The Directorate-General for Consumers is the competent authority to monitor the performance of ADR entities established in Portugal, and to:

- Notify the list of ADR entities authorized to the European Commission;
- Monitor compliance with the obligations established for these entities, including the application of fines and penalties;
- Coordinate and promote the consumer arbitration network.

The first Mediation and Arbitration entity - located in Lisbon - was launched 32 years ago.





## Alternative Dispute Resolution System

Mandatory Dispute Resolution for cases involving:

- Since 2011 - Essential Public Services - key utilities services such as energy, telecom, water and waste, and postal services;
- Since 2019 - all consumer conflicts up to 5.000 Euros; thus, by consumer's choice conflicts up to 5.000 Euros go to necessary arbitration or mediation, and obliges the notification of the possibility of representation by a lawyer in those conflicts

In the arbitration there is a binding decision (equivalent to a 1st. instance judicial ruling) is taken by an independent *judge*).





## Collective interests of consumers

**Directive (EU) 2020/1828** of the European Parliament and of the Council of 25 November on representative actions for the protection of the **collective interests of consumers**.

This Directive represented a very important step forward in the protection of European consumers.

Unlike Portugal, which since 1995 has had mechanisms for redress through class actions in the event of a breach of consumer rights, in some Member States such mechanisms were not contemplated, so this new directive has filled this gap by ensuring that in all European Union countries there is a system of collective actions for the protection of the collective interests of consumers against breaches of Union law.

The new instrument allows qualified entities designated by other member states to bring cross-border collective actions before national courts, as well as nationally designated qualified entities to bring collective actions in other Member States.



Collective action claimants are obliged to publicise on their website information about each class action they bring.

The **Directorate-General for Consumers**, will be the **competent authority** responsible for designating the qualified entities, as well as the **national contact point** for the purposes of complying with the reporting obligations to the European Commission established in in the Decree-Law transposing into national law the Directive (Decree-Law no.114-A/2023, of 5 December).



The Directorate-General for Consumers should also make public information on:

- qualified entities designated for the purpose of bringing cross-border collective actions;
- collective actions in progress and concluded before the courts.

## Handling consumer complaints

The Complaints Book was first implemented in Portugal by the end of the 1960's.

First for the tourism sector, but expanded very quickly to other sectors:

- 1969 – Hotels / Restaurants and bars;
- 1973 – Tourism and travel agencies;
- 1985 – Bingo game rooms;
- 1992 – Real-estate & Brokers companies;
- 1993 – Private health units;
- 2001 – Undertakers;
- 2004 – Thermal spas;
- 2005 – Solariums /Sun beds.

Decree-Law 156/2005, 15th September:

Establishes the requirement for the existence and availability of the Complaints Book in all sectors (in the main shopping facilities); and

A single procedure and a single model is now available for all traders.



## Handling consumer complaints

Where should it be?

Stores/establishments that meet the following requirements:

- Operate in a fixed, permanent, physical establishment;
- Have direct contact with the public.

### Procedures of the Authority

- Analyses the complaint;
- Adopts the proper procedure and measures if the facts indicate inappropriate (illegal) practices (according to the powers conferred to them by law);
- Informs the consumer of the ADR entities, if necessary.



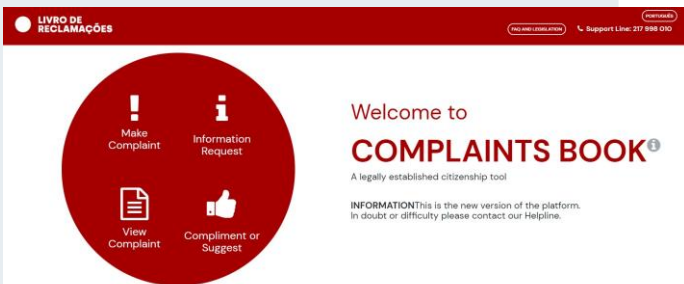
## Handling consumer complaints

In July 2017 the **Electronic Complaints Book** was implemented, first for Essential public services (e.g. water, electricity, natural gas and electronic communications) and expanded to all sectors since July 2019

- Gathers and connects all Competent Enforcement, Authorities and all Economic Operators;
- Consumers submit complaints, present information request and compliments, check the state of complaints.

**An important tool for citizenship and for evaluating economic sectors that have problems and/or need action or correction of situations.**

The Consumer Directorate-General is the entity that manages the platform and with National Mint Press – the technological partner- helps the national authorities to connect to it.





The Directorate-General for Consumers Affairs runs the European Consumer Center Portugal, with co-funding from the European Commission.

ECC Portugal is part of the Network of European Consumer Centers, which provides free information services to consumers about their rights in the European Union, Iceland, Norway and the United Kingdom and assistance in resolving problems related to cross-border purchases of goods and services.



In 2023, the Directorate-General for Consumers team assigned to the European Consumer Centre Portugal handled 2,891 cases and helped 459 consumers recover a total of €320,466.01.

The most complained about sectors include air transport (55 per cent), various goods and services (32 per cent), rent-a-car (7 per cent) and tourist accommodation (6 per cent). The volume of cases dealt with has been rising since 2018, having reached its peak last year.





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# Thank you!