

## Post Brexit Trade and Consumer Concerns

- **Consumers recognise initiatives such as CE markings on electrical appliances.** Whilst the CE Mark does not assure safety – we now know in the event of a no deal the UK Government will replace this with its own UKCA mark – but what consultation has there been on this and the consideration of the cost.
- Will consumers be more confused? What plans do the Government have to raise awareness of the new mark among consumers?
- When will the new mark come in? What are the timings and what transition plans are there?
- What resources will be available for the necessary oversight of the application of the new mark?
- **We need to ensure the UK Government does not scrap important EU Consumer rights laws by deregulation.** EU laws on consumer rights should continue to apply to the UK after Brexit. They include: -
  - **Purchase rights/product safety:** - If any item bought in the EU, either online or from a shop, is different from how it is advertised or doesn't work properly, the consumer has the right to a free repair or replacement. Consumers have these rights for a minimum of two years from the date of purchase in a shop or delivery.
  - **Withdrawal from sale rights:** - Consumers have 14 days to reconsider a purchasing decision and withdraw. If a consumer felt pressured to buy, have come across a better deal in the meantime or have simply changed their mind about anything bought online, they may always return it within two weeks in a resalable state.
  - **Informed choices:** - Any company advertising, selling products or supplying services must provide information which is accurate and detailed enough to allow consumers to make an informed choice. This means information about product characteristics, price, payment and delivery conditions, the seller's identity and contact details, as well as the duration of a contract and how to withdraw from it.
- **Loss of access to across border regulators** – The European Consumer Centres (ECC) offer consumers advice and support when they buy goods or services from a trader in another EU country and give tips to help the consumer avoid potentially costly problems. They can also help if they have a dispute with a trader and advise on further steps if a consumer cannot reach an agreement. This raises a question who will now enforce sales after Brexit from EU countries for UK consumers?
- **Counterfeit Electrical Goods** – According to the European Commission, customs authorities across the EU seized an estimated **five million more counterfeit items in 2015 than the previous year.**<sup>[1]</sup> This equates to a **15% increase** in the number of intercepted goods from 2014. More than 40 million products suspected of violating an intellectual property right were detained at the EU's external borders, with a **value of**

**nearly €650 million.** Could this situation get worse once the UK leaves the EU and we become a dumping group for more dangerous products and counterfeits goods? Who would regulate this matter given the UK Government's reluctance to create a UK agency for product safety standards?

- **National Trading standards will need to be properly resourced:** - Following on from the above point, the UK is likely to need to take on much greater responsibility for enforcement and checks of imports, along with checks on exports in order to assess compliance with new customs controls. Research by Electrical Safety First found that in the UK alone in 2016 more than 2.5 million people bought a counterfeit item.<sup>[ii]</sup> Household electrical goods account jointly for 25.8% of articles detained which could be dangerous to the health and safety of consumers. China is consistently the main originating country for counterfeit goods (41%).
- **EU databases and knowledge sharing:** - We need to consider whether we will have access to important EU databases and knowledge sharing systems such as ICSMS which is used by trading standards across borders for enforcement purposes. These need to be maintained post-Brexit.

**The crucial issues are: -**

- Government must not dismantle current consumer regulations for goods.
- Emphasis must be on tackling importation of counterfeit and substandard electrical products
- Emphasis on raising awareness with the public on the dangers of buying these items
- Growing issue of under resourced enforcement as ports and airports (trading standards) when for every £1 invested £34 is saved for the UK economy

<sup>[i]</sup> [http://europa.eu/rapid/press-release\\_IP-16-3132\\_en.htm](http://europa.eu/rapid/press-release_IP-16-3132_en.htm)

<sup>[ii]</sup> <http://www.electricalsafetyfirst.org.uk/news-and-campaigns/press-releases/2016/06/british-consumers-now-twice-as-likely-to-buy-a-counterfeit-electrical-product/>