

# Euroconsumers' response to the Commission's call for evidence on the **Single Market Strategy 2025**



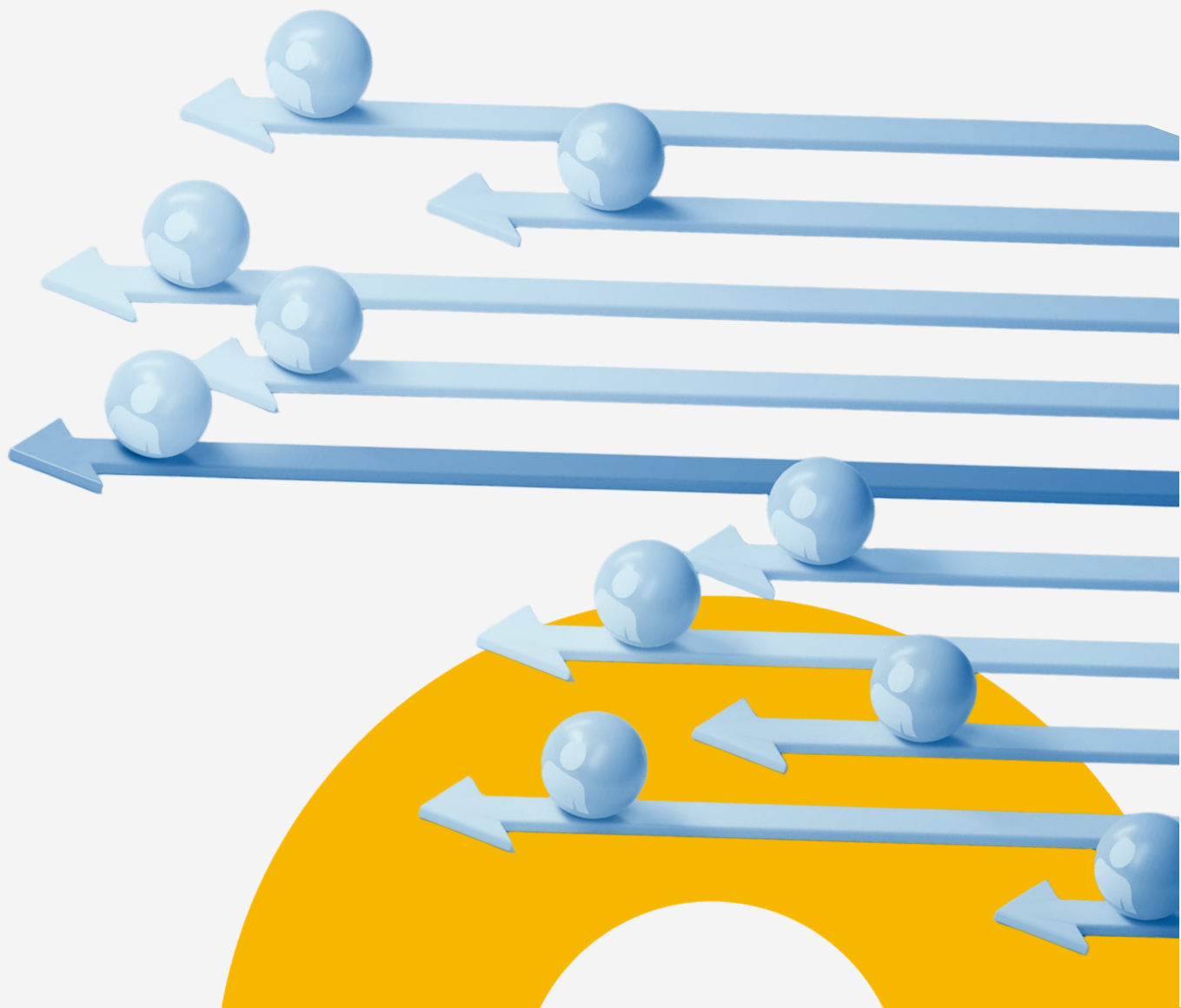
# A competitive and resilient Single Market

A competitive and resilient Single Market is not **merely about fostering strong business, it is equally about empowering strong consumers**. Indeed, consumers are the bedrock on which innovative companies thrive, driving a dynamic and well-functioning internal market.

Unfortunately, what constitutes a Single Market for businesses is not always a Single Market for consumers. The Commission rightly highlighted the barriers holding back the full exploitation of the four freedoms – especially the cross-border goods and services.

✔ Euroconsumers' national consumer organisations in Belgium (Testaankoop/Testachats), Spain (OCU), Italy (Altroconsumo) and Portugal (DecoProteste) experience these challenges first-hand in consumers' daily lives, as demonstrated by the real-life examples in this paper.

To ensure consumers fully benefit from the Single Market, feel empowered to strengthen it, and ensure its resilience and competitiveness, we call on all European stakeholders to address barriers artificially raised to protect domestic markets or companies engaging in unfair practices.



# Freedom of Services? Not Quite the Reality.

## Access to basic banking services



Our Spanish member OCU pinpointed the real-time challenge Spanish consumers face when opening a bank account in another EU state. A mystery shopping investigation revealed that the benefits offered by the Italian branch of the Spanish bank BBVA were more advantageous than those offered in Spain. Yet opening a bank account in Italy without an Italian passport appeared impossible. [OCU](#) subsequently [filed a complaint with the Bank of Spain](#) on this matter.



Euroconsumers' Italian member, Altroconsumo, found the same restrictions were in place for Italian consumers trying to open an account in Spain with the Spanish bank Santander. In this case, a geo-blocking system prevented citizens from another country from applying to open an account online.



Belgian consumer organisation, Testaankoop/Testachats received complaints from non-Belgians living in Belgium who were unable to open a bank account with the Belgian VDK bank. The online procedure to become a customer at VDK only works for individuals with a Belgian eID.

Testachats also highlighted that Belgians who have an account with a non-national bank (i.e. a bank based outside of Belgium) are subject to cumbersome national administrative tax procedures. For example, a Belgian-based consumer who opens an account with the Spanish bank Santander, must complete additional administrative steps to be tax compliant. This deters consumers from otherwise attractive offers

Finally, let's not forget about the barrier put up by the **Double Taxation on foreign dividends**. A Belgian who buys a French share first has to pay the French withholding tax and then again the Belgian withholding tax.

### Why maintain this double taxation?

While it is possible to recover part of the foreign withholding tax when it exceeds 15%, in practice it turns out to be very complicated if not impossible.



## Bank charges barriers

When a consumer enters another EU country, they can never be sure what bank charges they will incur. In addition to the rates of their own bank, they must also add those of the countries in which they are located:

✔ Testachats has highlighted how consumers can be [subject to higher fees](#) for cash withdrawals from ATMs in Eastern European or Balkan countries.

The fees for these transactions are not always easy to read or understand, and calculating the exchange rate on top of this can be complicated. The same goes for money transfers in EU countries that are not members of the eurozone.

European payment initiatives such as Wero are already designed to remove banking fees within the EU. But to ensure the objective of free services is fully achieved, Belgian consumer organisation Testachats urges action to also tackle these unnecessary charges.

## e-Commerce barriers

Geo-blocking might be officially banned in 2018, it [remains an issue for consumers and businesses](#) alike. A recent European Court of Auditors report shows that consumers still face unjustified obstacles when accessing goods and services. A 2019 'sweep' by 27 enforcement authorities on delivery and right of withdrawal revealed that the online shops concerned might have infringed basic EU consumer law, including the Geo-blocking Regulation. The sweep showed that one fifth of the flagged websites were in breach of the [Regulation](#).



Testachats noted that customers often cannot pay certain invoices by direct debit using a foreign account, i.e. paying for an order in Belgium with an IBAN that does not start with BE.

Testachats also found that consumers frequently experience issues when trying to order products from non-Belgian EU-wide webshops. For example, when trying to order something from a Belgian webshop they are told the product is out of stock. The product is still available on Amazon.fr, but they are unable to enter a Belgian delivery address when trying to purchase the item, effectively preventing them from buying the product.



In addition, exemptions still exist for certain sectors such as audiovisual services, including streaming platforms. **Nearly one in ten consumers have tried to access content from another country but were geoblocked, while almost one in three would be interested in gaining such [access](#).** This overwhelming evidence shows there is a large market for foreign material in the EU, but artificial and protectionist barriers are still inhibiting growth. Together with BEUC we believe this should be [addressed in the upcoming review of the geoblocking regulation](#).

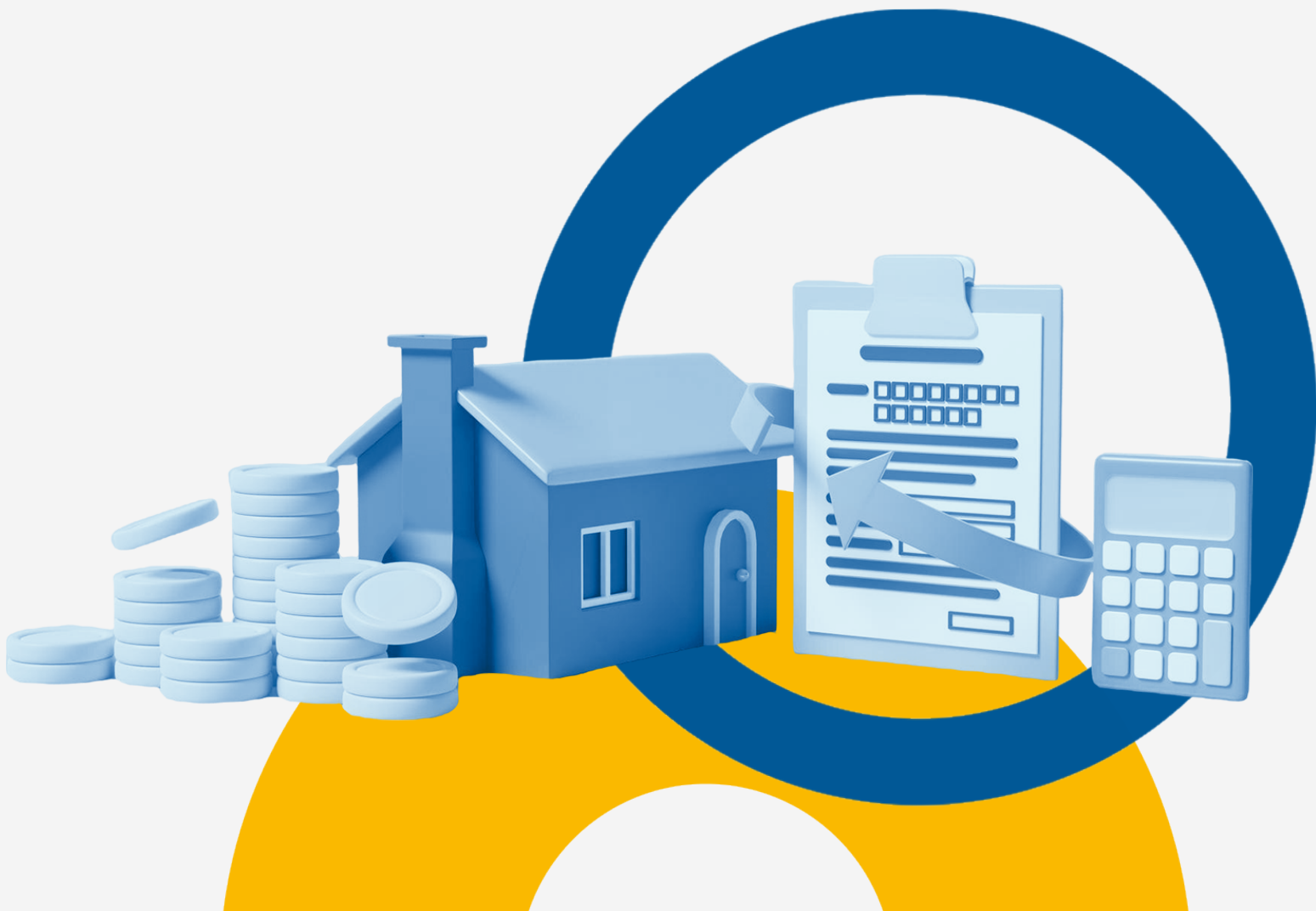
## **Buying property in another EU member state**



Testachats report the difficulties consumers face in purchasing property in another EU member state. **For example, Belgian consumers can in principle, apply for a loan in Belgium for the purchase of a holiday home in Spain. However, this offer may not be available as standard in every bank.** The reasons given for this include the difficulty in verifying the real estate purpose (documents in a foreign language, various formalities depending on the country, etc.) and in confirming the purpose of the funds. Taking a property that is located abroad as collateral is also self-evident either, let alone putting it in forced sale in the event of non-payment.



**Our Belgian experts also found that the purchase process in Spain also differs from that in Belgium.** The tasks of a notary are not the same. In Spain, for example, a lawyer is often involved in the purchase process to draw up a reservation contract (taking an option on a home is not the same there as in Belgium). A first-rank guarantee may be required. If the property in Belgium has already been paid off, this is not an issue, but otherwise it is a point of attention.



# Freedom of goods? Some barriers in practice

Examples of **Territorial Supply Constraints (TSCs)** are common throughout the EU, particularly in Belgium according to experiences of Euroconsumers' organisation Testaankoop/Testachts. As was uncovered in the European Commission's investigation, from February 2009 to October 2016, beer producer AB InBev sold its flagship beer "Jupiler" cheaper in the Netherlands than in Belgium.

While this is explicitly against European competition rules, the actions of [AB InBev during this time underscore how companies are undermining the freedom of goods within the Internal Market](#). AB InBev did everything to prevent the cheaper beer intended for the Netherlands from being sold in Belgium, including removing French information from the label. As a result, the product could no longer be sold in Belgium, as national law requires the information in both French and Dutch. The Commission subsequently fined AB InBev €200 million for restricting cross-border sales, but the [challenges for consumers are far from over](#).

✔ More recently in 2024, the European Commission fined confectionary producer Mondelez €337.5 million for cross-border trade restrictions following a five-year investigation. Again, Belgian consumers were subject to unfair restrictions as Mondelez stopped the supply of Côte d'Or chocolate bars in the Netherlands to prevent them from being imported to Belgium, where the prices were higher. Mondelez also refused to supply a German broker to prevent the resale of its product in several other member states, including Belgium.

A study from the Benelux Union underscores the widespread nature of TSCs in the Benelux countries, affecting a wide range of products. Between 67-77% of those surveyed reported a negative impact on consumer prices, with price increases between 5-50% and the product range. Additionally, [business profit margins were also negatively affected as a result of TSCs](#).




# One Single Market, 27 jurisdictions

Consumers not only face challenges to fully grasp the benefits of the Single Market with regards to access to goods and services, they also face major challenges in having their rights enforced in an equal way across Europe. While economic operators use the Single Market to sell products across all EU borders, our European Market is not so Single when it comes to also tackling infringements.


## 1. Dieselgate

A very telling example is the Dieselgate saga. Although the Dieselgate fraud affected consumers all across Europe (and even the world), not every European consumer got equal treatment for the damages suffered. While consumers from the US obtained compensation rather quickly, European customers had to wait much longer, and even then they were not treated equally. When German consumers finally received compensation in 2020, the Volkswagen group refused to do the same for all other affected European costumers.


The class actions launched in 2016 by Euroconsumers in Spain, Italy, Belgium and Portugal to that regard confirm the different pace and many hurdles consumers face to have their rights enforced, but also the very different outcomes:




In Italy, after a lengthy legal procedure going up to the Supreme Court, Altroconsumo secured an impressive 50 million for 60,000 participants to their Dieselgate class action in a settlement agreement with Volkswagen, bringing an end to an eight year long legal battle.



In 2021, the Spanish Commercial Court reached a decision in Euroconsumers' Spanish member OCU's long-running legal dispute against VW Group, ruling that the company must compensate affected consumers with €3,000 per individual. However, Volkswagen successfully appealed, leading to a referral of the case from the trial court of Madrid to the one of Barcelona to restart proceedings from scratch. The case is currently still pending.



In Portugal the Supreme Court deemed the case non-justiciable through the class action mechanism due to the heterogeneity of positions among individual class members, leaving Portuguese consumers without compensation.



In 2023, eight years since the Dieselgate scandal broke, Test Achats/Test Aankoop obtained in a decision of the Belgian Court in first instance a redress equal to 5% of the paid purchase price for owners that did not take the opportunity to have the software update installed. The implementation of this decision is still under negotiation.



## 2. Airlines cases

### Check-in costs

In November 2024, the [Italian Competition Authority](#) found Ryanair guilty of unfair commercial practices and illegitimately charging customers for extra check-in costs. The airline did not give enough information about online check-in only being available for a limited period and that missing this deadline would result in a €55 charge. While the ruling means that at least 100,000 Italian consumers will be refunded for these charges, there was no compensation offered to consumers outside of Italy. Euroconsumers is pursuing Ryanair for equal compensation for passengers in our other member countries Belgium, Spain and Portugal.

### Cabin luggage

After [a complaint made by Euroconsumers' member OCU](#), the Spanish authority fined budget airlines [Vueling, EasyJet, Ryanair, Norwegian and Volotea a total of €150 million](#) for these illegal charges for cabin luggage and demanded they stop. This was confirmed [in an administrative appeal in November 2024](#), with fines going up to 179 million euros. Although this was based on infringements of both Spanish and EU regulations, consumers outside of Spain have not enjoyed the same treatment.

Contrastingly in Italy, the Council of State ruled that the airlines' restrictions do not contradict the judgment of the Court of Justice's Vueling ruling. The 2022 Regulation attests that the Court of Justice ruling clarifies the indispensable nature of hand baggage without specifying the minimum or maximum dimensions or the number of such baggage items.

## 3. Stellantis AdBlue

In 2022, Euroconsumers' cross-border consumer complaints tracker, CICLE tracked a growing number of complaints from Citroen and Peugeot car owners about problems with the anti-pollution system in their cars' diesel tanks.



Euroconsumers member [Altroconsumo](#), [raised the issue](#) and started the process that eventually led to [compensation commitments for Italian consumers in September 2023](#). But Euroconsumers' and its members have had to fight hard to secure equal redress for everyone, calling on the company to give the same compensation to consumers affected by the same issue in its other member countries.



In Belgium, Testachats' original request for compensation was ignored, so they asked the company to match the compensation already granted to consumers in Italy. Stellantis ultimately refused. Following calls for an [EU-wide investigation also supported by BEUC](#), the European Commission intervened in December 2024 and obtained [clear commitments from Stellantis](#) that all consumers impacted by the fault would have their rights respected.

- ✓ Together with BEUC, Euroconsumers and its organisations in Belgium (Testaankoop/Testachats) Italy (Altroconsumo), OCU (Spain) and Portugal (Deco Proteste) will continue to make sure the Single Market works both for business and consumers alike.



## About Euroconsumers

Gathering five national consumer organizations and giving voice to a total of more than 1.5 million people in Italy, Belgium, Spain, Portugal, and Brazil, Euroconsumers is the world's leading consumer cluster in innovative information, personalized services, and defense of consumer rights. Our European member organizations are part of the umbrella network of BEUC, the European Consumer Organization. Together, we advocate for EU policies that benefit consumers in their daily lives.

