



Republic of Bulgaria
ECONOMIC
AND SOCIAL COUNCIL

OPINION

on

MEASURES TO IMPROVE LEGAL PROTECTION OF CONSUMERS

(on its own initiative)

Sofia, 16 April 2007

In the plan of the Economic and Social Council the working out of an Opinion on the subject of: "Measures to Improve Legal Protection of Consumers" has been included.

The President of the Economic and Social Council, Prof. Lalko Dulevski, assigned the Standing Commission on Economic Policy to work out the Opinion.

Mr. Bogomil Nikolov was appointed Rapporteur.

At a meeting on 30.03.2007, the Commission on Economic Policy discussed and adopted a draft of an Opinion on subject of: "Measures to Improve Legal Protection of Consumers."

At its Plenary Session on 16.04.2007, the Economic and Social Council adopted the Opinion. The Commissioner Meglena Kuneva and Mr. Michael Humphreys, Head of the Representation of the European Commission in Bulgaria, were invited and took part in the Plenary Session.

INTRODUCTION

The rights of consumers in Bulgarian legislation are almost identical to the ones in any other country of the European Union. Their efficient application into practice is still a big challenge for Bulgarian institutions, civil organizations and consumers. If in Germany, for example, thousands of cases are solved annually, in Bulgaria this number is minimal. Does this mean that Bulgarian consumers have fewer problems?

The Opinion of the Economic and Social Council (ESC) on the main question of our society: how to improve the legal protection of Bulgarian consumers, is very much on time and in the interest of the citizens.

I. NEED OF LEGAL PROTECTION OF CONSUMERS

The need of consumer rights and interests special protection arises from economic and informational supremacy of trader over consumer, which practically destroys legal equality between them proclaimed by the Law. The reasons for this inequality are explained by the circumstance that to satisfy their necessities the citizens need to supply for themselves different goods and services through the market, without knowing in detail the peculiarities of these goods and services production and their features. With strong competence in the majority of market sectors and the diversity of products connected to it, the consumer almost cannot find his way in particular specifics of offered goods and services. A hypothesis is possible that certain market goods though having similar features at first sight, could have different functional peculiarities and be designed for different purposes. Thus the first of main problems connected to consumers and their economic interests protection is defined: *the lack of sufficiently objective information about the supply.*

This is one of the free market main defects, which combined with increasing diversity of supply and relatively short time the consumer can spend on studying it attentively, leads to deviation of decision-making mechanism, seriously threatening thus consumer's interest. Consumers usually prefer advertised products and products attractive in their appearance, though it is possible that they are not the highest quality ones or that they do not satisfy the needs completely.

Consumers' bad knowledge of supply and of economic regularities naturally leads to inequality between them and manufacturers and traders. The need to restore the broken balance appears, and here the second of consumer protection main problems comes: *consumers do not know well enough their rights and duties connected to market behavior in their relationship with traders and manufacturers.*

Consumers cannot always define which deal is most suitable to their interests and not always understand the consequences of their will expression, as well as the meaning of particular clauses in the contract they are being offered. They are not well informed about

the rights they have in certain situations as well as about the ways of these rights application. Together with that we observe an unwillingness to defend violated rights in the court. The reasons for that come from bad knowledge of the court system and of procedure laws in the country. Often lack of time and money to conduct suits, especially when the cases are of insignificant economic interest, is an important reason too.

The situation with the traders and manufacturers of goods and services is different because they dispose of serious means to employ experts in the field of law, who would defend their interests. In the same time they dispose of financial resources to conduct expensive long lasting suits.

In addition to the mentioned main problems connected to protection of consumers' rights and economic interests some additional problems emerge. Consumers' inequality with traders has other dimensions and is often caused by the activity of consumers themselves. Following problems appear frequently:

- a) *overestimating one's own means to evaluate corresponding market goods* in decision-making by consumers;
- b) *overconfidence in the trader or expectation of a "happy end" for a cut standing situation*: the traders / manufacturers have the resource to employ experts who would consult them how to attract consumers' interest, while the latter rely only on themselves;
- c) *influence of "time" factor*.

What usually makes consumers vulnerable is the fact that they use the market to provide goods and services for satisfaction of their own and their close ones' needs. In this situation the *factor "time"* is of significant importance. In the majority of cases consumers have to acquire certain goods in certain exact moment. From traders' and manufacturers' point of view the situation is different. It is true that their economic prosperity depends on clients, respectively on their trade turnover, but they often disregard the place particular consumer takes in this turnover formation. Traders and manufacturers demonstrate exclusive readiness to do without given client but protect their own interests. This treatment puts consumers into extremely unfavorable position in negotiations. Traders and manufacturers can require the consumer make a deal under their preliminary conditions. Having the alternative to do without a deal at all, consumers accept these conditions though they clearly understand the unfavorable position they are putting themselves in. In this case the competition does not always give an alternative because trade practice and contract conditions are often standardized by given trade representatives.

These factors often result in serious difficulties and economic losses for consumers. Consumers' unequal situation in the market and the possibility for its misuse by the traders and manufacturers leads to injustice and instability in economic, legal and public order. Affecting wide strata of population it provokes social discontent, and distrust of consumers in the market decreases the turnover reflecting negatively on economic development.

All these factors motivate economically developed countries to pay attention to the need of working out legal mechanisms and procedures for consumer rights protection. It is these

mechanisms that this Opinion aims to study analyzing basic legal instruments included into Consumer Protection Act.

II. CONSUMER PROTECTION LEGAL INSTRUMENTS IN SETTLEMENT OF CONSUMER DISPUTES

Consumer protection is an important achievement of contemporary society. Consumer Protection Act (published in Official Gazette, No. 99 of 9.12.2005, in force since 10.06.2006) is the special Act arranging legal matters regarding consumer protection in Bulgaria.

The main reason for the necessity of consumer legal protection is the emergence of dispute between them and the trader. Consumer dispute is a cross-purpose of trader and consumer's positions regarding fulfillment of duties under the contract they have concluded (sale of goods, leasing, provided service, etc.). Disputes most frequently emerge when consumers' legal rights have been violated – such as the right to receive information, right to protect their life and health from dangerous goods, or when their economic interests have been affected.

Disputes, in general, are a direct result of deliberate disrespect of consumer's rights (misleading of consumer regarding offered product's qualities, price, maintenance and repairs conditions, term, etc.). It is possible as well to have them resulting from cross-purpose of consumer's particular expectations and notions about the good / service and what he had actually got from the trader / manufacturer (established lacks or product's defects, dissatisfaction with goods qualities).

Consumer disputes are present in almost all sectors of economy. This fact imposes the creation, existence and application of modern legal methods and means for their settlement in the interest of justice and consumer rights respect, as well as to guarantee trade turnover security and balance.

The settlement of consumer disputes can be carried out using different methods and forms, which could be provisionally divided into court and out-of court.

1. Out-of-court settlement of consumer disputes

a) Negotiations with the trader

Negotiations with good or service's trader or manufacturer are the most widespread means to settle consumer disputes. Thus, having direct contact and dialog, an agreement can be reached in the interest of both parties. The advantage of this method is its speed, economy and efficiency in settlement of consumer disputes in developed market economies. Consumer disputes settlement through direct contact strengthens the trust between consumer and trader, and helps trader's image on the one hand, and satisfies the consumer, on the other. Main advantage of this out-of-court method is that it saves significant financial means for

the arguing parties. This way to settle the dispute increases consumers' trust in market and plays a role in stimulating trade turnover. Traders in our country are not always ready to have direct and tolerant dialog with consumers. This is largely due to their low commercial culture resulting from the lack of long professional practice, or from their looking for fast and easy profit. The unfavorable market environment in Bulgaria is of significant importance for this situation. It is connected to weak consumer demand and population's low purchasing capacity. The insolvent market easily attracts goods of low quality and unclear origin. We have to mention the fact that consumer protection legal framework is not sufficiently known neither by the trader, nor by consumers. There is categorically no experience in applying legal regulations and gained practice in consumer disputes settlement. The fact is alarming that at the present moment court experience in these disputes settlement can be qualified as worthless. The lack of court experience is a factor having exceptionally negative influence on positive law development connected to consumer protection.

The main conclusion we are coming to is that negotiations with the trader are an accessible, economical and effective way to settle consumer disputes. The defect is that negotiations do not provide the necessary equality of the parties. A danger is present of unequal treatment of consumer by the trader or manufacturer despite the willingness of both parties to settle the dispute. The main importance here falls on bigger economic strength of the trader / manufacturer.

b) Mediation of consumer associations.

The settlement of consumer disputes through negotiations with the trader being mediated by consumer organization is often used as a means in practice. In this method consumer organization helps the consumer to settle disputes negotiating on his behalf or consulting him in detail about effective approaches in each particular case. This is an alternative method representing a combination between negotiations with the trader and conciliating method.

Its advantage is the introduction of institutional capacity and experience of consumer organizations in negotiations with traders. In many cases consumer associations' authority and knowledge outweigh for the effective settlement of emerged disputes.

In many states including Bulgaria specialization on branches appears (for example in the field of insurance services) in consumer associations, which strengthens this method application even more.

c) Conciliation Commissions

Conciliation Commissions specialized in the field of consumer disputes have been created under Consumer Protection Act (published in the Official Gazette, No. 99 of 9.12.2005, in force since 10.06.2006) and the Regulation of Conciliation Commissions Work (published in the Official Gazette, No. 13 of 10.02.2006, in force since 10.06.2006). Conciliation Commissions are a widespread form of out-of-court settlement of consumer disputes in European Union countries. Court procedures last long and require special knowledge to be

conducted, as well as significant financial resource; this motivates the creation of Conciliation Commissions. Appearing cumulatively these factors frequently prevent many consumers from defending their rights in court order, therefore a big number of their rights violations are left without any real sanctions, though the latter are regulated by the Law. This naturally leads to formation of distrust on behalf of consumers in possibilities and mechanisms given by the legislation in force for their rights and economic interests protection in court.

Conciliation Commissions proceedings are one of mechanisms fighting similar trends. Their activity efficiency depends on observing the principles of independence, objectiveness and impartiality in decision making process. Their proceedings should run respecting strictly established procedures guaranteeing hearing the arguing parties and gathering dully the necessary evidence needed to make clear the real situation. Thus, the executed proceedings conformity with the law is guaranteed.

Conciliation Commissions legal regime is arranged in Division II of Chapter IX, Article 182-185 of Consumer Protection Act. The seat and activity district of Conciliation Commissions are set by an order of the Minister of Economy and Energy, who approves a list of their members who should help reaching agreement between consumers and traders. A Conciliation Commission has the following structure: chairman and one representative for each traders' and consumers' associations. The Conciliation Commission helps voluntary settlement of disputes between consumers and traders concluding an agreement between the parties in dispute. It is important to mention that *proceedings of a Conciliation Commission are not an obligatory precondition for bringing a suit into court*. These proceedings are going on *independently* and can run *simultaneously* to court proceedings.

Example: In case that both court proceedings and proceedings of a Conciliation Commission are present simultaneously, and proceedings of a Conciliation Commission end up with an agreement satisfactory for both parties, court proceedings should be dismissed with a statement of claim abandonment by the party which had laid it. Thus the court is deceased saving significant financial and expert resource. (This is the idea the legislator has put into Consumers Protection Law.)

The conclusion can be made that including proceedings of a Conciliation Commission the legislator encourages the out-of-court settlement of consumer claims. The purpose is to achieve economy of procedure and naturally facilitate the court system, which will lead to efficiency of justice administration bodies and to gaining of valuable court experience. Simultaneously, significant time, economic and expert resources will be saved.

2. Court settlement of consumer disputes.

a) Individual protection

Court protection is the instrument providing most durable protection of consumer's interests. Nevertheless, in Bulgaria there are serious defects in its carrying out at this stage of development of court system. Court proceedings are slow and require significant

expenses. Court settlement of consumer disputes is not economically justifiable and is practically senseless as far as disputes of small financial interest are concerned. That is why consumers prefer not to come to the court accepting their rights violation as something they cannot effectively fight. This creates serious distrust in court system and breaks security of citizens. Consequently, the lack of laid suites obstructs gaining court experience under Consumer Protection Act, which would serve as a basis for consumer protection legislation improvement.

Under the Constitution, Bulgarian courts are assigned to settle juridical disputes. Their task is to provide the lawfulness and stability of social relationship. Hearing and settling a juridical dispute is subject to firmly established rules and proceedings. Consumer disputes are civil disputes. There are no special rules for their hearing, and the norms of Civil Procedure Code (CPC) are fully applied. The court is the body which has the power to resolve a dispute between a consumer and a trader with an act obligatory for both parties. The consumer has to address the court filing a claim against the trader and to follow the common civil order. But a court proceeding is a complex system of norms and the orientation in it is often beyond the powers of a person without special knowledge in the field. The lack of proceedings knowledge brings a serious threat of damage to person's interests, whose consumer rights had been violated, because the process is strongly formalized and is full of deadlines, the missing of which makes it impossible to execute the corresponding action. Thus, it can turn out that the claims addressed to the court has not been formulated correctly, or important evidence has not been presented, making it impossible to provide protection. On the other hand, the presence of a decision, which has entered into force, makes the continuation of the same dispute between same parties impossible even when the damaged person has not succeeded in defending himself.

Having in view the above, we can make the conclusion that court proceedings are a slow and expensive means to resolve consumer disputes. Nevertheless, this method has significant priority over the others, namely, the priority of the obligatory character of a court decision and the possibility of its forceful execution. Court settlement of consumer disputes imposes durable solutions and obliges to certain behavior, which each of the parties is due.

b) Collective protection

Collective protection of consumer rights and economic interests is a long known practice in both the USA and European Union countries. It gives an opportunity to carry out sanctions for violating consumer protection legislation without any need of proof for particular damage. There are two collective claims in legal theory and practice: **corporate**, typical of the European legal system, and **group**, typical of the USA legal system. Our legal system practices both types of collective claims. Here we shall study consumer interests collective protection possibilities under Bulgarian legislation.

Claims for consumer collective rights and interests protection, better known as collective claims, have serious preventive effect because they can be laid in any moment from violation's beginning, before eventual damaging result occurs. They could persecute low value abuses.

Thus the trade practice to commit a big number of small abuses (each of them having insignificant value, but taken together leading to serious advantage for the trader) is being sanctioned. The low value deprives each particular harmed consumer of any wish to look for his rights.

Collective claims allow gaining significant volume of court experience in consumer legislation application. In contrast to individual claim defending rights of particular person damaged by a violation, collective claim defends the common interest of all consumers in the market. Actively legitimized to lay collective claims are Consumer associations (Article 188 of Consumer Protection Act), Consumer Protection Commission, a group of consumers or certain consumers. They can be used as a means to ask the court to establish a violation of the Consumer Protection Act or another legislative act directly or indirectly protecting consumers' interests. If the claim comes from consumer association, it can require a compensation for the damages caused to the collective consumer interest.

Under the Law now in force there are *three claims for consumer collective rights and interests protection*. They are of two types, corporate and group.

– Claim for cease or prohibition of activities or trade practices violating consumers' collective interests, established in Art. 186 of Consumer Protection Act.

– Claim consumer associations can lay for compensation of damages caused to consumers' collective interests, established in Art. 188 of Consumer Protection Act. Here the legislator gives an opportunity to lay a claim regardless of the size of the damage and the number of harmed persons, and if they can be a litigant in the process and can take up a position on the laid claim. Moreover, the legislator is not interested whether there have been real damages and persons harmed by the violations, i.e. the violations can be formal as well (the presence of a result – occurrence of a particular harm – is not required). It is sufficient to have consumers' interests threatened. In this case, actively legitimized to lay collective claims are consumer protection associations (Art. 188 of Consumer Protection Act), having their legitimation ensuing directly from the Law (*ex lege*). These are the hypotheses concerning claims for compensation of damages caused to consumers' collective interests. It is not necessary here to have the ability to establish the circle of harmed persons. The Law does not take into account whether the damages have really been suffered, but whether consumers' interests have been threatened.

– Claim for damages caused to two or more consumers, established in Art. 189 of Consumer Protection Act. This collective claim is new to Bulgarian consumer protection legal order. It can be laid only by consumer protection association, but not by a state body like Consumer Protection Commission.

In this case consumer associations can lay a claim for compensation of damages consumers have suffered, on their behalf. Their active legitimation ensues of their authorization by two

or more consumers who had suffered damages (Art. 189). In contrast to Art. 188, here the damaged persons are to be obligatorily established.

III. CURRENT CONDITION OF CONSUMER LEGAL PROTECTION PRACTICE

The condition of different forms of consumer dispute settlement and the efficiency of their application indicate the level of development of consumer protection system in different countries. In Bulgaria, due to the slower process of implementation of market reforms and introduction of modern consumer legislation, sufficient experience in settling consumer disputes is not present yet. This to a great extent is due to the ignorance of the different instruments of dispute settlement between consumers and traders provided by the legislation.

The introduction of consumer protection legislation started in our country during the negotiation process for European Union membership. Many years' experience of the then 15 Member-States is to a great extent included into our legislation. The first law of the kind was voted in 1999: *Consumer Protection and Trade Rules Act* abrogated by *Consumer Protection Act* in force since June 10, 2006.

Recognizing the experience we have had so far in consumer legal protection field, the Economic and Social Council brings out the following main issues:

1. Insufficient Use of Legal Possibilities for Consumer Protection to Guarantee Their Interests.

The lack of active application of possibilities for consumer protection provided for in the national legislation is due to different reasons and the most important of them are:

1.1. insufficient level of knowledge of consumer protection legislation: this leads to very frequent emotional reactions instead of consecutive legal actions in defense of legal rights;

1.2. insufficiently developed consumer culture of citizens: the undeveloped consumer culture is expressed in frequent negligence (for example, signing a contract or a document, without previously reading it) leading to disputes and conflicts;

1.3. low level of trust between consumers and traders: this is a premise for difficult dispute settlement through the most efficient means – negotiations and agreement reaching;

1.4. prevailing feeling of supremacy in traders and manufacturers and ensuing violations of consumer legislation: a big part of traders in the market still feel themselves responsible only before control bodies, but not before consumers;

1.5. insufficient or lacking financial means in a big part of consumers: abused citizens have no funds to conduct court proceedings when their consumer rights and interests have been violated, which leads to limitation of access to justice;

1.6. low level of trust in court system, which in many cases leads to consumers' unwillingness to defend their rights through court;

1.7. court proceedings duration: the excessive duration of court proceedings is to a great extent the reason for abused consumers' unwillingness to look for their rights protection through court;

1.8. big part of consumer disputes is for much lower values than court defense expenses, which makes the latter senseless.

2. Inefficiency of out-of-court protection methods.

The Conciliation Commissions existing in our legislation are an out-of-court means for consumer dispute settlement. They are based on mediation as a method of dispute settlement. It is a voluntary means, where the parties reach consent based on reciprocal agreement and compromises. Mediation is a successful and proved method in some labour or family dispute settlement practice in the USA and Western Europe. Having in view specific relationship emerging between consumers and traders / manufacturers and natural inequality of the first in relation to the latter, Conciliation Commissions mediation does not give the expected results, therefore another more efficient method for out-of-court settlement of consumer disputes is to be looked for.

Strategic data of 2006 support this conclusion through the results of 113 conciliation proceedings for the year as follows:

Total number of conducted conciliation procedures	113
Refusal to conduct a proceeding due to uncorrected faults in the application	2
Agreement reached in conciliation proceeding	11
Conciliation procedure abandoned due to application withdrawal by the applicant	5
Conciliation procedure abandoned due to trader's refusal to take part or answer within timeframe	51
Conciliation procedure abandoned due to an agreement achieved without hearing the dispute at an open session	13
Conciliation procedure abandoned on the grounds that the dispute lied beyond Conciliation Commission's competence	0
Conciliation procedure abandoned due to impossibility to reach agreement between the parties	21
Pending conciliation procedures	10

Source: Report on the Activity of Consumer Protection Commission in 2006.

The data show that reached agreements are less than 10% of proceedings and in almost half of the cases traders refuse to participate in conciliation proceeding. This means that the state spends institutional resources administrating an inefficient activity.

The low number (113 for 2006) of conciliation proceedings initiated in Bulgaria is not less important. To compare, we shall mention only the fact that in Denmark analogical out-of-court dispute settlement body hears about 5 000 cases annually. This does not mean that consumers in Denmark have more problems than the ones in Bulgaria, but is a proof of much higher efficiency and popularity of the out-of-court mechanism for dispute settlement.

In this sense, the vision is clear that a more effective method of out-of-court dispute settlement has to be looked for. A known method of this type is *arbitration*. In this method the parties accept the verdict of an umpire (arbitration commission), which is obligatory for both parties without at the same time preventing bringing the suit to civil court. That is why the arbitration has proofed itself as an efficient means for dispute settlement and provides the necessary level of consumers' out-of-court protection.

3. The statute of the National Legal Assistance Office does not allow for full use of its economic and expert resources to help conducting consumer suits.

Nowadays the Legal Assistance Act gives an opportunity to support consumer cases. Legal assistance is given to persons meeting the requirements of monthly social assistance under Regulation for Application of the Social Assistance Act, and to persons placed in specialized institutions providing social services, as well as to foster families or families of relatives where a child has been put under the Child Protection Act. Though the Act embraces a limited social circle of users, it guarantees society's most vulnerable part access to justice, when meeting certain legal requirements.

Although the law allows for the use of resources for consumers' legal protection, this opportunity has almost not been used. The reasons are:

- *insufficient knowledge of possibilities for assistance by the consumers;*
- *deciding on the provision of legal assistance is bound to the court judgment;*
- *lack of information about the fields in which lawyers entered into the legal assistance register work.*

It is of significant importance to receive specific legal assistance like consumer protection from a lawyer specialized in this field. In this sense, if to lawyers' names their fields of expertise are added, one would be able to choose a defense counsel only among experts in the field.

4. Gained court experience on consumer cases is not made public in appropriate way, which would give publicity to resolved cases and thus generate preventive effect of the legislation.

There is no public register at the administrative body, which would gather and publish court experience on consumer issues.

5. Consumer associations have insufficient resources to initiate and conduct collective claims for consumer rights protection. The state has to increase the resources it is giving for strengthening associations' capacity for efficient legal protection of consumers' collective interests. This can be done through training provided to consumer organizations' lawyers and through giving financial assistance to conduct collective suits. Adopting project or competitive approach in collective consumer claims initiation is a realistic possibility.

6. There are contradictions between certain legal norms in Consumer Protection Act and other specialized laws, which hampers the efficient use of court methods for consumer protection.

Example: Pursuant to Article 153 of Energy Act, consumer is every property owner in a building supplied with central heating system regardless of the fact that years ago (already before this legal regulation was introduced) the owner refused central heating service. This is an inadmissible forceful sale under Article 62 of Consumer Protection Act.

7. There is not sufficiently well arranged consumer rights protection in financial services field, telecommunications and other types of services. More profound recognition of consumer interests is necessary in policy and legislation development for these sectors.

IV. SUGGESTIONS TO IMPROVE CONSUMER LEGAL PROTECTION PRACTICE

Recognizing consumers' interests and legal rights, based on presented conclusions and problems, and aiming at improving legal protection of consumers, the Economic and Social Council suggests the following measures:

1. Creating and developing a system of training for consumers

1.1. Working out and introducing consumer protection teaching courses and master programs at universities.

1.2. Developing forms of continuous training in the mechanisms of consumer protection for representatives of consumer groups and organizations.

1.3. State support for publishing specialized literature to enhance legal knowledge of the common consumer.

1.4. Involvement of public media (Bulgarian National Radio and Bulgarian National Television) into educative programs and broadcastings on consumer subjects.

2. Developing resources for legal counselling and assistance of consumers

2.1. Encouraging consumer organizations to create legal nets of lawyers specialized in consumer law. This will create a systematic mechanism for generally accessible legal assistance for consumers.

2.2. Developing system of centers for legal advice on consumer issues for the citizens.

2.3. Including legal clinics at legal departments into the system of citizens' legal assistance on consumer issues.

2.4. Bigger state funding for consumers' civil organizations regarding collective protection of consumer interests and conducting lawsuits.

3. Transforming Conciliation Commissions into Arbitration Commissions for out-of-court settlement of consumer disputes

Adopting arbitration approach to out-of-court dispute settlement will increase this method's efficiency and popularity. Arbitration method is adopted in many European countries and everywhere proves its higher efficiency in comparison to mediation.

This can be done through a change in *Consumer Protection Act* and *Conciliation Commissions Work Regulation* in it. No additional financial or institutional resources will be needed for the purpose.

4. Creating public fund for conducting consumer lawsuits

This fund will aim to overcome limited access to justice of consumers with violated rights who practically cannot pay for their defense.

This fund could give financial aid to consumers to conduct individual or collective claims. This aid would be refunded after court proceeding termination. If the necessary initial financial resource is provided, the fund could work both within state administration structure and within the non-governmental sector. The idea is that the fund should provide part of the money needed to conduct lawsuit and would be refunded receiving a certain percentage of compensations adjudged to citizens under the cases they have won.

5. Magistrates training

Nowadays, within the training system for magistrates at the Ministry of Justice there is insufficient number of specialized trainings on application of consumer protection legislation. To ensure an adequate level of consumer protection and enhance consumers' trust in court, it is necessary to provide periodical improvement of qualification of magistrates as well as the needed conditions and resources.

6. Creating a public register of court decisions on consumer cases

Creating a public register which would gather and publish court practice, as well as administrative bodies practice connected to consumer protection is a necessary and useful measure. Accumulating information in such a public register will help carrying out better analysis of jurisdiction acts of court and administrative bodies. In addition, the register will make it possible to unify the practice of settling disputes with equal or similar subject in all country's courts and administrative bodies.

Creation of a public register for consumer cases will make court practice accessible to non-professionals too, and this will undoubtedly be a factor to improve consumers' legal knowledge. Broader information on legal aspects of consumer protection will give them higher security in their exercising consumer rights and will help forming their active consumer behavior.

7. Maintaining Statistics on consumer suits conducted in the country

At the moment, the court system renders a statistical accounts and classifies only administrative suits on appeals against penal enactments of the control bodies under Consumer Protection Act.

It is necessary to prepare and give information to the society on the number and type of court proceedings filed by consumers, as well as on their outcome.

8. Broadening the information provided by the National Legal Assistance Office including into the National Legal Assistance Register the fields each lawyer works in.

Thus nowadays lottery-like way of choosing defense counsel will be avoided because it limits specialized legal assistance provided for the citizens. When a consumer wishes and has a right to receive legal assistance, he would be able to hire the services of a lawyer specialized in the field of consumer law.

9. Making a systematic analysis of existing contradictions between legal norms included into Consumer Protection Act and other legal and subordinate acts concerning consumers interests, with the active participation of consumer protection organizations and other civil society interested structures.

Based on this analysis, the necessary legislative initiatives should be undertaken, recognizing our country's commitments under Amsterdam Treaty on Integration of Consumer Protection into All State Policies.

The Economic and Social Council expresses in this Opinion the consensus position of civil society structures represented in it on existing problems in consumer legal protection and possible measures for its improvement.

Recognizing that consumer protection concerns each citizen's interests, the Economic and Social Council insists that the dialog with executive and legislative authorities goes on, aiming to reach solutions commonly acceptable for entire civil society.

Appreciating our country's achievements in adopting and developing consumer protection legislation, the ESC is convinced that improving the practice of its application gives Bulgaria all premises to be a good European example of consumer rights protection. That is why the Economic and Social Council will support all actions of the Bulgarian Government and Bulgarian Parliament directed to improving consumer protection practice.

At the same time, the ESC will continue the dialog and consultations with other civil society structures, which are not represented in it, aiming to reach maximum public support for Bulgarian consumer rights and interests.

The Economic and Social Council appreciates the active participation of the European Commissioner for Consumers Protection, Mrs. Meglena Kuneva, in the plenary session and her support for the efforts of the Bulgarian Civil Parliament to defend the interests of organized civil society.