

THE PROTECTION OF VIOLATED CONSUMER RIGHTS IN THE CONTEXT OF REALIZING GOOD GOVERNANCE PRINCIPLES UNDER EUROPEAN UNION LAW

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Abstract. Article 41 of the EU Charter of Fundamental Rights establishes the implementation of individuals fundamental right to good administration, according to which the good governance practice of public administration institutions is formed. The concept of good governance is based on legal requirements for public administration entities to provide public (administrative) services, taking into account to the interests of users of such services, and at the same time, exercising the authorities that they have without violating the rights of individuals. This article critically examines the implementation of principles of good governance in the context of defending violated consumer rights, with a particular focus on Lithuanian legal practices and the role of the European Consumer Centre.

Emphasizing transparency, accountability, efficiency, and participatory in decision-making, the good governance principles are pivotal in enhancing the effectiveness of public administration mechanisms in the protection of violated consumer rights. By integrating qualitative analysis of legal frameworks, case studies, and empirical data, the research study sheds light on how Lithuania and the European Consumer Centre apply the good governance principles to ensure a robust consumer rights protection. The study highlights the central role of national regulatory bodies and the European Consumer Centre in mediating disputes, enforcing fair trade practices, and ensuring product safety, thereby facilitating efficient redressal for aggrieved consumers. The research findings advocate for the improvement of legal regulation in order to strengthen the application of good governance principles in the public administration practice for the protection of consumer rights. The article concludes with recommendations aimed at improving the efficiency of consumer rights protection mechanism through the adoption of good governance practices, with a special emphasis on the Lithuanian context and the broader European framework.

Keywords: consumer rights, protection of consumers' public interest, good governance, public administration.

JEL Classification: K30, K38, D18.

1. Introduction

Research studies on the interface between the concept of good governance, the practice of public administration, and European Union [EU] citizens' rights are of paramount relevance in modern consumer societies (Rodríguez-Arana, 2013; Grigorescu, 2003). Understanding how effective good governance practices impact public administration can contribute to the development of more responsive, transparent, and accountable public administration systems (Bovens, 2007; Peters, 2018). Investigating the relationship between good governance

principles and consumers' rights sheds light on the EU regulatory framework through which public administration policies are implemented and how they influence individuals' rights in the socio-business environment. This research is essential for revealing the fundamental value of the EU – *public administrations exist to serve the public interest* – (Osborne, 2009; Pollitt & Bouckaert, 2017) by which is justified the essential role of EU public administration bodies in executing public powers, delivering public services, and upholding the rule of law.

Drawing upon the comprehensive examination of the principles of good governance under the EU law and

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their practical application in the context of consumer rights protection, this article delves into the intricate relationship between public administration and the protection of consumer rights. With the Treaty on European Union [TEU] granting legal binding status to the Charter of Fundamental Rights of the European Union [EU CoFR], a new horizon in the integration of fundamental rights within the EU framework was established, particularly emphasizing the right to good administration as a cornerstone for fostering transparent, accountable, and efficient public administration (Hofmann et al., 2011; Craig, 2012).

This article pioneers in detailing how the enforcement of good governance principles under EU law, particularly through the EU CoFR, directly impacts the protection of consumer rights, establishing new benchmarks for transparency and efficiency in public administration. Through a novel analytical approach that integrates regulatory frameworks, administrative practices, and case studies, this research offers evidence-based insights into how enhanced legal and procedural safeguards can strengthen the alignment between public administration actions and the fundamental rights of consumers in the EU.

The authors explore the main research problem related with, in the one hand, ensuring the efficiency and transparency of public administration institutions on providing public services for consumers, and, in the other hand, ensuring a quick response when the consumer applies for the protection of violated rights. The posed scientific problem enables the justification of the hypothesis by addressing the essential research question – how could it be, and is it possible to harmonize the implementation of procedural and substantive consumer rights, such as the right to be heard, the right to access one's file, and the obligation to provide reasonable decisions, as stipulated in the Article 41 of the EU CoFR?

This article seeks answers to this question by combining cognitive and qualitative research methods. Critically and constructively analysing that the following principles of good governance – transparency, accountability, fairness, and efficiency – are not merely abstract concepts but are essential in enhancing the effectiveness of public administration mechanism in protecting consumer rights. The study is mainly based on an in-depth analysis of the Article 41 of the EU CoFR and specific cases on consumers' rights violations within the EU, and on examination the legal frameworks, administrative responses, and outcomes to evaluate the effectiveness of existing legal measures in aligning with good governance principles.

Through a qualitative and comparative analysis that integrates regulatory approaches, enforcement mechanisms and empirical data, this study illuminates the operational dynamics of the Lithuanian State Consumer Rights Protection Authority [LSCRPA] and the European Consumer Centre [ECC] in applying good governance principles to ensure robust consumer rights protection. It unveils the critical role played by national regulatory

bodies and the ECC in mediating disputes, enforcing fair trade practices, and ensuring product safety, thereby facilitating efficient redressal mechanisms for aggrieved consumers.

The main purpose of the study is to contribute to the discourse on the legal and institutional framework and implementation practice in place within the EU for protecting consumers in the context of realization citizens' public interest to have good administration. It critically examines the effectiveness of these frameworks in addressing the unique complexities introduced by the ECC and the LSCRPA. Although the research focuses mainly to the situational analysis in Lithuania and in their connection with the activities of the ECC, many aspects can be applied to other EU countries as well. Moreover, by juxtaposing the statistical data on consumers complaints and applications to the LSCRPA with the broader mandates of good governance, this article highlights to unravel the complexities and challenges inherent in managing consumer grievances. It underscores the growing trend of consumer activism, the rising workload of the LSCRPA, and the pressing need for enhanced cooperation and coordination among regulatory bodies to address consumer complaints effectively, including consumers awareness and education.

2. The Application of good governance principles in the defence of violated consumer rights

Discussing good governance in the context of consumer rights protection is crucial because it integrates the principles of transparency, accountability, efficiency, and fairness into public administration, and directly affects consumers' well-being.

Council of Europe's practices, reflecting the principles derived from EU law, require public institutions to adhere to these governance standards, ensuring their actions benefit consumers and uphold their rights (Council of Europe, 2024). This approach aligns with Article 41 of the EU CoFR, demanding that public authorities operate within a framework of established values to protect individuals' rights, including consumer rights. By emphasizing good governance, consumer protection mechanisms become more robust and responsive, enabling consumers to seek and obtain redress for infringements of public interest in consumer contracts. This alignment not only improves the efficiency and transparency of consumer rights defence but also reinforces the importance of public administration's role in maintaining a fair and equitable marketplace.

2.1. Right to good administration in focus: scope and context of principles determined in the Article 41's of the EU CoFR

The EU CoFR, initially a compilation of general principles derived from EU law and the judicial precedents of the Court of Justice of the European Union [CJEU],

gained legal binding status with the TEU enactment in December 2009 (Treaty on European Union, 2016). This transformation marked the latest advancement in the integration of fundamental rights within the EU framework. The preamble of the EU CoFR acknowledges the significant role of the CJEU, the influence of Member States' constitutional traditions, and the case law of European Court of Human Rights in shaping the rights and principles it enshrines. The TEU not only elevated the EU CoFR to a legally binding status, equating its legal force to that of the EU Treaties but also implicitly integrated it into the EU legal system, thereby affirming its relevance in discussions on good administration and the implementation of EU law by Member States.

Good administration is unequivocally recognized for its dual character: both as a right and as a principle within the EU CoFR. This recognition stems from the CJEU previously acknowledging it as a foundational principle of the EU through its jurisprudence (Fuentetaja Pastor, 2008). This perspective blurs the distinction between the principle and the right to good administration, as the right enshrined in the EU CoFR encompasses a series of rules and protections.

The concept of good administration, as outlined in Article 41 of the EU CoFR, extends beyond the explicit rights enumerated within the article. It is perceived as a compilation of diverse rights developed by the CJEU, alongside a general right to good administration. The Article 41 does not explicitly address key principles of substantive administrative law, such as proportionality and legal certainty, as highlighted by Kanska (Kanska, 2004). This observation brings us to an important aspect: the Article 41 encompasses both procedural and substantive requirements, providing individuals with tools to use in their interactions with public authorities and EU institutions (Kristjánsdóttir, 2013). This comprehensive approach ensures that individuals are protected in various aspects of administrative dealings.

The last point shifts focus from the essence of good administration to its purpose. The goal of both EU and national administrative laws is to increase the efficiency of public administration and safeguard citizens from the actions of public authority. This emphasis has faced critique for presenting a narrow perspective on the role of administrative law, deemed inappropriate in the context of the EU (Kanska, 2004). The EU CoFR aims to strengthen the protection of fundamental rights of individuals, aligning with the administrative regulations' goal to shield citizens from the actions of public authority. The emphasis is not on the function of administrative law *per se* but on establishing good administration as a fundamental right within the context of human rights protection. In that context, the individual's right to good administration, the content of which is detailed in Article 41 of the EU CoFR, includes the following key aspects:

1. Impartial and fair handling Article 41(1). Individuals are guaranteed the right to have their affairs managed without bias, ensuring fairness and efficiency in administrative proceedings.
2. Right to be heard Article 41(2a). Before any adverse individual measure is taken, persons have the right to present their case, ensuring that decisions are made with due consideration of all involved parties' viewpoints.
3. Access to files 41(2b). There is a provision for individuals to access their files, balancing this transparency with the need to respect confidentiality and the secrecy of professional and business information.
4. Obligation to state reasons for decisions 41(2c). Administrative bodies are mandated to provide explanations for their decisions, promoting transparency and accountability.
5. Compensation for damages 41(3). That provision stipulates the right to compensation for any harm caused by the Union's institutions or its servants in the course of their duties, aligning with the general principles shared by the EU laws.
6. Communication rights. Individuals are entitled to correspond with Union's institutions in any of the Treaty languages and receive a response in the same language, facilitating clear and inclusive communication.

These provisions collectively establish a framework for good administration, emphasizing the importance of transparency, accountability, and fairness in the functioning of the EU institutions. The concept of good administration serves as a key guiding principle, even in situations where Article 41 of the EU CoFR cannot be applied directly in its exact terms. The principle of good administration, being derived from the shared constitutional traditions of the Member States, can be extended under the general principle of EU law on good administration, as outlined in Article 52 of the EU CoFR, when their actions fall within the ambit of EU law.

The individuals' rights listed in Article 41 of the EU CoFR might encompass other administrative principles, which are not directly stated within its text. While the first paragraph of Article 41 of the EU CoFR highlights the individuals' right to have affairs handled impartially, fairly, and within a reasonable time, it does not explicitly mention principles like the principle of care (Groussot, 2003); or due diligence, which involves obligations like responding to inquiries promptly, acting within appropriate timeframes, gathering adequate information, and thoroughly reviewing a request.

Article 52 of the EU CoFR provides guidance on the scope and interpretation of the individuals' rights and principles, including the general principle of good administration, to Member States when they are acting within the scope of EU law. This means that when Member States are implementing EU directives, regulations, or are otherwise engaged in activities governed by EU law, they are expected to uphold the general principles of EU law, including the EU value as a good administration. The principle of good administration is not just an EU invention but is also rooted in the constitutional

traditions common to the Member States. This shared foundation further supports the application of this principle at the national level, especially in the context of EU-related activities, reinforcing the idea that public administration practices are a fundamental element of good governance across the EU.

In summary, while Article 41 of the EU CoFR specifically targets EU public administration institutions, the underlying principle of good administration is a broader legal principle that, through the general principles of EU law and the common constitutional traditions of the Member States, can also be applied to national institutions when they are acting within the framework of EU law. This ensures a uniform standard of administrative fairness, impartiality, and efficiency across both EU and national levels when dealing with matters related to EU law (Iamiceli et al., 2022).

2.2. Strengthening consumer rights through the EU's regulatory mechanism to ensure good governance in public sector

In the evolving landscape of consumer protection within the EU, a comprehensive regulatory framework has been established to safeguard consumer rights. This framework is built on the foundational principles set forth in the Treaty on the Functioning of the European Union [TFEU] and the EU CoFR, which ensure the promotion of high-level consumer protection across all policy areas (EU CoFR, 2012). The EU's commitment to consumer rights is further manifested through specific directives and regulations designed to address various aspects of the protection of consumer rights. One of the cornerstone pieces of legislation is the Directive on Consumer Rights (2011/83/EU), which consolidates consumer rights regarding contracts made with traders, emphasizing the importance of clear information, the right to withdraw, and fairness in consumer transactions (Directive 2011/83/EU, 2011; European Commission, 2020).

Directive on Consumer Rights (2011/83/EU) is applied concurrently with other EU legislation relevant to consumer rights protection, i.e., safeguarding consumers from unfair commercial practices (Directive 2005/29/EC, 2005), unfair terms in contracts (Directive 93/13/EEC, 1993), unsafety products (Directive 2001/95/EC, 2001), or setting unified rules for resolving consumers disputes in the area of digital transactions (Directive EU 2019/2161, 2019; Regulation EU No 524/2013, 2013). These regulatory instruments collectively represent the EU's robust approach to consumer protection, emphasizing the importance of safety, fairness, and transparency in the internal market. They serve not only to protect consumers but also to foster trust and confidence in the EU market, thereby supporting the smooth functioning of the internal market and contributing to the overall well-being of EU citizens.

The individual's right to good administration is intrinsically linked to consumer protection regulations and directives within the EU, as these legal instruments are

the essential mechanism by which the principles of good governance are operationalized in the context of protecting consumers' interests. The connection between the individual's right to good administration and the EU's consumer protection framework can be seen in several ways:

1. Transparency and access to information. The Directive on Consumer Rights (2011/83/EU) and the General Product Safety Directive (2001/95/EC) ensure that consumers are provided with clear, accurate, and timely information about products and services. This aligns with the principle of transparency and individuals right to be fully informed in their interactions with the EU internal market.
2. Fairness and equity. The Unfair Commercial Practices Directive (2005/29/EC) and the Unfair Contract Terms Directive (93/13/EEC) protect consumers from unfair practices and terms, ensuring that they are treated fairly and equitably. This reflects the principles of fairness and equity in administrative actions of public administration institutions affecting consumers.
3. Right to redress and timely handling of affairs. The Regulation on Online Dispute Resolution [ODR] (EU No 524/2013) provides a platform for consumers to resolve disputes efficiently and within a reasonable time. The principle of effectiveness directly contributes to the timely and fair resolution of disputes between consumers and other parties.
4. Enforcement and modernization. The Directive (EU 2019/2161) on the better enforcement and modernization of Union consumer protection rules highlights the EU's commitment to effectively enforcing consumer rights and adapting its regulatory framework to current challenges, including those posed by digital markets.

The individual's right to good administration underpins the EU's approach to consumer protection by ensuring that the regulatory framework is applied in a manner that is transparent, fair, and responsive to the needs of consumers. Through the specified directives and regulations, the EU operationalizes the principles of good administration, ensuring that consumers not only have rights on paper but also have effective mechanisms for the protection and enforcement of these rights in practice (International Federation of Accountants & Chartered Institute of Public Finance and Accountancy, 2014). Thus, the interplay between the right to good administration and the EU's consumer protection laws is a testament to the Union's holistic approach to governance, where administrative principles are seamlessly integrated into consumer protection efforts, ensuring that the rights and well-being of consumers are at the forefront of market regulations and practices.

To effectively protect consumer rights and ensure high standards of public administration, it is essential

to continually evaluate and improve existing legal and institutional frameworks. The regulatory systems of the EU, which strengthen consumer rights and ensure the application of good governance principles, represent a significant step towards achieving this goal. However, for these systems to function as efficiently as possible, it is crucial to analyse their implementation at the national level and reveal the practical problems and challenges faced by consumers and the institutions that defend their rights. In view of that approach, it is important to understand how the institutional system is designed and how it works to protect consumer rights and ensure the effectiveness of consumer dispute resolution.

3. The Effectiveness of the EU institutional framework in implementing legal guarantees of consumer rights protection

The EU's institutional framework, built upon the foundational principles set forth in the TFEU and the EU CoFR, plays a crucial role in implementing legal guarantees for consumer rights protection, and ensures the promotion of high-level consumer protection across all policy areas of EU internal market. The significance of EU institutional framework lies in its comprehensive regulatory approach, embodied in directives and regulations by which consumer rights are realized, i.e., emphasizing clear information, fairness in transactions, fostering trust and confidence in the market.

Furthermore, the individual's right to good administration, as enshrined in Article 41 of the EU CoFR, is intrinsically linked to consumer protection, operationalizing the principles of good governance in this context. The directives and regulations serve not only as protective measures but also as mechanisms that enhance transparency, fairness, and the efficient handling of affairs, directly supporting the implementation of individuals right to good administration. This comprehensive protection mechanism is beneficial not only in defending consumer rights, but also in ensuring that the administrative practices of Member States, uphold the fundamental principles of good governance

Additionally, addressing the aspect of bureaucracy in the area of consumer rights protection, the European Ombudsman plays an important role in investigating complaints about maladministration in the EU public administration institutions. This includes issues related to consumer protection frameworks, ensuring that bureaucracy does not hinder the enforcement of consumer rights. The European Ombudsman's work emphasizes the importance of a transparent, accountable, and fair administration, reflecting the principles of good governance in the consumer protection domain. This ensures that consumers are not only protected by law but also have their rights effectively upheld in practice, mitigating the risk of maladministration or bureaucratic inertia within the institutional system of consumer rights protection.

3.1. Assessment of legal impact on consumer rights protection by the European Consumer Centre

The ECC Network, established by the European Commission, plays an essential role in protecting consumer rights within the EU (Bukowski & Kaczor, 2019). The ECC Network's primary mission is to empower consumers by providing critical information, advice, and assistance on cross-border transactions; the main aim is to educate consumers about their rights when purchasing goods and services across borders within the EU (European Consumer Centres Network, n.d.). This objective encompasses providing guidance on consumer rights under EU law, including statutory rights, legal guarantees, and the individual right to redress (Fact Sheets on the European Union – European Parliament, 2024).

The ECC Network fosters collaboration and information exchange among its national centres in EU countries to enhance the quality and effectiveness of the assistance provided to consumers. This collaborative approach ensures a cohesive strategy in consumer rights protection across the ECC Network. The ECC actively works to increase consumer awareness about cross-border shopping rights, aiming to prevent disputes and enhance consumer confidence in the internal market (European Consumer Centres Network, 2023). The ECC offers mediation services, aiming to find amicable solutions without resorting to formal legal proceedings (Sartor, 2020).

The operational statistics of the ECC reflect its significant impact on boosting consumer confidence and resolving disputes in cross-border transactions:

1. The ECC Network handles tens of thousands of inquiries and complaints from consumers across the EU annually, underscoring the essential demand for cross-border consumer protection services (European Consumer Centres Network, 2023).
2. The Network reports a high success rate in amicably resolving disputes, with a significant percentage of mediated cases being settled without the need for formal legal action (European Consumer Centres Network, 2023).
3. Through campaigns, workshops, and publications, the ECC has notably increased consumer awareness about their rights in cross-border transactions (European Commission, 2024).

The ECC Network plays a critical role in assisting consumers with cross-border disputes within the EU. For example, in 2022 the ECC handled 118,142 inquiries, successfully resolving 60% of cross-border consumer complaints amicably (European Consumer Centres Network, 2023). However, the ECC Network's capability is fundamentally limited by its reliance on voluntary cooperation from businesses, with resolutions that carry no legal binding. This limitation significantly impacts the ECC Network's effectiveness in safeguarding consumer rights across EU borders, as its recommendations may not compel businesses to act, leaving consumers without enforceable solutions in some instances.

The current model, wherein the ECC acts more as an advisor than an advocate with the power to enforce, highlights a gap in the consumer protection framework within the EU. While the ECC's success in recovering €9,904,715 for consumers in 2022 and resolving a majority of cases amicably underscores its value, the lack of mandatory force behind its resolutions points to a missed opportunity for more robust consumer protection (European Consumer Centres Network, 2023). The ECC Network's competence, designed for negotiation and mediation, is focused for fostering cooperation and understanding between consumers and businesses. However, the reliance on voluntary compliance from businesses can undermine consumer confidence in the ECC's ability to represent their interests fully, especially in disputes where businesses are unwilling to cooperate.

To address these challenges and strengthen the ECC's role in consumer rights protection, the following improvements should be considered:

1. Legal framework revision, i.e., advocate for amendments to the EU's consumer protection regulations that would grant the ECC resolutions some form of legal weight or require mandatory participation in the mediation process by businesses.
2. Enhanced cross-border cooperation, i.e., strengthen mechanisms for the ECC to collaborate with national consumer protection agencies, enabling the ECC to act as a full representative of consumers in cross-border disputes, including the capacity to escalate issues to national authorities for enforceable actions.
3. The ECC empowerment, i.e., explore the feasibility of granting the ECC specific powers to act as an advocate for consumers in cross-border disputes, including the ability to represent consumers in legal proceedings within the jurisdiction of another member state.
4. Awareness and education, i.e., increase efforts to raise awareness among consumers and businesses

about the ECC's role and the benefits of cooperative resolution of disputes, aiming to improve voluntary compliance rates from businesses.

The ECC Network's success in handling cross-border consumer disputes is undeniable, yet its potential is curtailed by its lack of enforceable authority. By reimagining the ECC's operational framework to include legal weight behind its resolutions and enhancing its capacity to act as a full-fledged advocate for consumers, the EU can significantly strengthen its consumer protection landscape. Such reforms would not only enhance the effectiveness of the ECC, but also contribute to the deeper integration of the EU internal market, fostering a more trustworthy and consumer-friendly trading environment across the EU.

3.2. Key achievements and experience in consumer rights protection by the Lithuanian State Consumer Rights Protection Authority

The LSCRPA is an agency under the Ministry of Justice of the Republic of Lithuania, is established to implement public policy in the field of consumer rights protection. The LSCRPA carries out the enforcement actions in the following areas: unfair commercial practices, misleading advertising, e-commerce, product safety, market surveillance of non-food products, tourism market surveillance, unfair contract terms and other violations of consumer protection requirements (Law on the Protection of Consumer Rights of the Republic of Lithuania, 2007). In addition to its consumer protection enforcement functions, the LSCRPA is also the main public body of the alternative consumer dispute resolution. The LSCRPA also performs a variety of monitoring activities in different fields in order to avoid consumer protection infringements and provides traders with methodological support regarding efficient compliance with legal requirements. The mission of the LSCRPA is to ensure a high protection level of consumers in Lithuania through building of the consumer rights protection system aligned with EU law (State Consumer Rights Protection Authority, 2024).

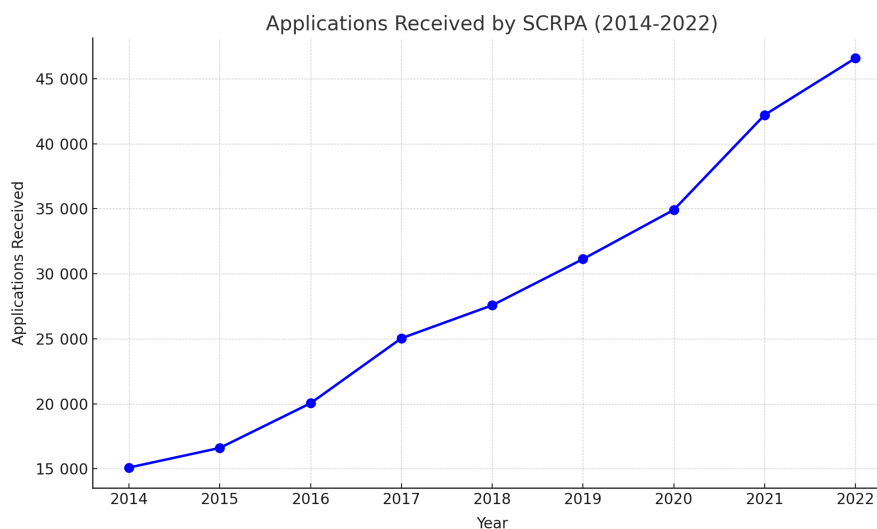


Figure 1. Applications received by the LSCRPA from the period 2014–2022

Nevertheless, the Public Audit Report “Does the Protection of Consumer Rights Ensured?” of the National Audit Office of Lithuania of 16 July 2019 states that the coordination of the implementation of the consumer rights protection policy is insufficient and does not adequately ensure that the institutions take effective measures to protect consumer rights (National Audit Office of Lithuania, 2019).

Figure 1 shows the apparent increase in the number of applications of violated consumer rights is consistent every year. For example, in 2022 the LSCRPA was approached 46 575 times concerning possible violations of consumer rights, information on consumer rights protection, non-food product market surveillance, or supervision of tourism service providers; in 2021 were 42 212, 2020 – 34 914, 2019 – 31 126, 2018 – 27 573 consumers applications, and etc. From the period of 2014 – 2022, consumers applied to the LSCRPA 259 176 times. Applications to the LSCRPA were requested to deal with a wide range of issues, including disputes between consumers and businesses, as well as information or clarification on consumer protection, non-food market surveillance and supervision of tourism service providers.

Analysing the provided data (see Figure 1), including the number of examined consumers complaints to the LSCRPA, several insights can be made:

1. Steady increase in consumer concerns and applications. There is a clear and consistent upward trend in the number of times the LSCRPA was approached concerning possible violations of consumer rights. This suggests a growing awareness among consumers of their rights and a willingness to seek help or information, possibly driven by increased consumer activism, the impact of digital platforms in spreading awareness, or a real increase in issues encountered by consumers.
2. Rising workload for the LSCRPA. This growing demand for the LSCRPA’s services underscores the need for adequate resources (personnel, financial, infrastructure) to effectively handle and address consumer concerns and complaints.
3. Potential increase in market surveillance activities. The significant number of applications in 2022 related to non-food product market surveillance and supervision of tourism service providers suggests an expansion in the scope of the LSCRPA’s activities. It reflects the LSCRPA’s broader role in ensuring market fairness and consumer safety beyond traditional consumer rights violations.
4. Increased consumer engagement, awareness and education. As consumers become more informed about their rights and the available avenues for redress, they are more likely to approach the LSCRPA’s for assistance in defending their rights.
5. Challenges in addressing consumer complaints. The empirical data on examined consumer complaints, especially the categories of complaints

that were suspended, refused, or referred to other institutions, may indicate challenges in effectively resolving consumer disputes. This could be due to various factors, including complex legal frameworks, the need for specialized knowledge to address certain types of complaints, or resource limitations.

6. Need for enhanced cooperation and coordination. The practice of referring complaints to institutions with the authority to resolve specific issues suggests a need for enhanced cooperation and coordination among different regulatory bodies and institutions. Effective collaboration could lead to more efficient resolution of consumer complaints and better protection of consumer rights.
7. Impact of digitalization on the business market. Online shopping, international tourism, and digital services pose new challenges for consumer protection authorities, necessitating adaptation to effectively address these evolving consumer issues.

Overall, the empirical data reflects a positive trend in consumer activism and awareness, alongside highlighting the challenges faced by the LSCRPA in managing the increased volume and complexity of consumer complaints and applications. It underscores the importance of continued efforts to strengthen consumer rights protection mechanisms, enhance institutional capacities, and foster collaboration among various stakeholders to effectively address consumer concerns.

In order to assess the effectiveness of the LSCRPA’s activities, it is important to examine the results of the handling of complaints. Figure 2 focuses on the trends in total complaints received of the LSCRPA’s and the cases that were suspended or refused to consider, illustrating potential institutional challenges from 2014 to 2022. The blue line shows the total number of complaints received each year, indicating a steady increase over time. The red line represents the number of complaints where the processing was suspended or refused, which also shows a significant increase, especially in the later years.

This trend highlights growing challenges in managing consumer complaints efficiently, possibly due to resource constraints, procedural inefficiencies, or increasing complexity in the complaints themselves.

This overview demonstrates the LSCRPA’s commitment to address consumer grievances and facilitate an effective dispute resolution outside the courtroom, reflecting an adaptive approach to the increasing volume of complaints and a focus on consumer rights protection.

Based on the provided empirical data, several negative conclusions can be drawn, indicating potential problems related to consumer complaints or the work of the LSCRPA:

1. Continuously increasing number of complaints. It indicates that the problems related to consumer disputes with goods suppliers and service providers are increasing. This could signal deteriorating

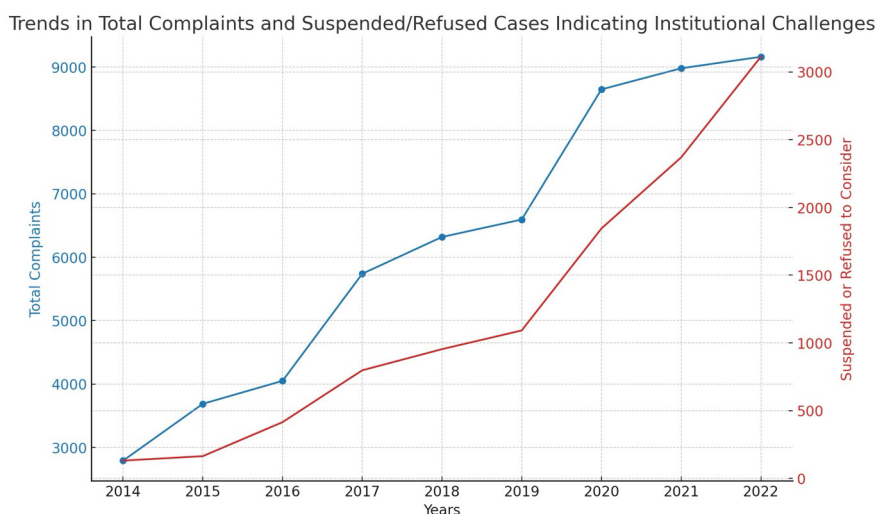


Figure 2. Total complaints received by the LSCRPA

product quality, inadequate service provision, or improper market regulation.

2. Rising number of refusals to consider complaints. It could indicate that the LSCRPA faces challenges in efficiently managing the flow of complaints. This may reflect limited resources, insufficient staff competence, or overly complicated procedures.
3. Unclear impact of referring complaints to institutions. The process of referring complaints to the LSCRPA with the authority to resolve the issues raised is important, but the data does not make it clear whether this practice effectively contributes to dispute resolution. If the referral of complaints does not facilitate a quick and fair problem-solving, this may indicate a lack of coordination between institutions or inadequate responsibility sharing.
4. Inconsistency in changes. Different annual changes, such as a sudden increase in the number of refusals to consider complaints or in the number of disputes resolved outside of court, may reveal the LSCRPA uneven ability to adapt to challenges associated with increasing burdens or changing consumer needs and behaviour trends.
5. Lack of information. Incomplete data about the process and outcomes of complaint handling, may indicate a lack of transparency and openness about the LSCRPA activities. This could reduce consumer trust and complicate the evaluation of the LSCRPA performance.

These observations indicate that, although the LSCRPA is handling an increasing number of complaints, there are questions about its efficiency, transparency, and ability to ensure quick and fair resolution of consumer problems. Such trends may indicate the need to review and improve existing processes, strengthen the institution's resources, and promote better collaboration with other responsible agencies in the field of consumer rights protection.

4. Raising legal awareness and education in the field of consumer rights protection as a tool of enhancing the role and responsibility of the European Consumer Centres Network

The recent studies highlighted significant challenges in the protection of consumer rights within the EU, focusing on the limitations of the ECC Network due to its reliance on negotiation and its non-binding resolutions (Senatore & Di Prisco, 2022). It was identified that while the ECC plays a crucial role in assisting consumers with cross-border disputes, its effectiveness is constrained by the voluntary nature of business cooperation and the lack of enforceable authority in its resolutions (European Consumer Centres Network, 2022). In response to this approach, it is necessary to discuss about the development of a comprehensive strategy to address challenges related with the strengthening the institutional and legal framework on consumer rights protection.

To address the limitation of the ECC Network's non-binding resolutions, legislative reforms at the EU level are essential. These reforms should grant the ECC Network's authority to issue binding decisions in cross-border consumer disputes, or at minimum, establish a mandatory mediation process that requires the participation of businesses (Thorun & Diels, 2020). This approach would ensure that ECC Network's resolutions have a tangible impact on consumer protection, providing consumers with a more effective mechanism for redress in cross-border transactions.

The ECC should be empowered to act not only as an advisor but also as a legal representative for consumers in cross-border disputes. This would involve granting the ECC capability to represent consumers in legal actions in the trader's country, thus providing full-scope representation in consumer protection cases. Such a move would require coordination with national legal systems and potentially the establishment of an EU-wide legal framework to facilitate cross-border consumer representation (Rösner, A. et al., 2020).

The effectiveness of the ECC can be significantly improved through enhanced cooperation and information exchange between the ECC and national consumer protection agencies within Member States. This would involve the development of integrated databases and information-sharing platforms to track disputes, share best practices, and coordinate efforts in tackling cross-border consumer issues. Such collaboration would also facilitate a unified approach to addressing systemic issues affecting consumers across the EU.

Leveraging technology and innovation can play a pivotal role in enhancing the efficiency and effectiveness of the ECC Network's operations (Thorun & Diels, 2020). The development and implementation of advanced Online Dispute Resolution [ODR] platforms, AI-driven legal assistance tools, and digital consumer education resources can streamline dispute resolution processes, reduce response times, and improve overall consumer satisfaction.

A comprehensive consumer education campaign is critical to empowering consumers in the digital single market. The ECC, in collaboration with national consumer protection bodies, should expand its efforts in consumer education, focusing on digital literacy, rights in cross-border transactions, and the utilization of the ECC services. Such initiatives would not only inform consumers of their rights but also encourage proactive engagement in safeguarding those rights.

The challenges identified in the protection of consumer rights in the EU necessitate a multifaceted approach to reform and strengthen the ECC Network. By addressing the limitations in the ECC Network's authority and operational framework through legislative reforms, enhanced legal representation, cooperation, technological innovation, and consumer education, the EU can significantly improve the protection and enforcement of consumer rights across Member States. Implementing these strategies will require concerted efforts from EU institutions, Member States, consumer protection agencies, and stakeholders across the EU internal market. Ultimately, these reforms will contribute to a more robust, efficient, and consumer-friendly environment in the EU, aligning with the principles of good governance and ensuring the effective protection of consumer rights in the digital age.

5. Conclusions

1. The effective implementation of good governance principles, as outlined in the Article 41 of the EU CoFR, is crucial for enhancing consumer rights protection. The EU's regulatory framework, particularly through directives and regulations dedicated to consumer protection, embodies the principles of transparency, accountability, fairness, and efficiency. This integration ensures that consumer rights are not only acknowledged but are actively safeguarded within the legislative and administrative practices of the EU, highlighting the essential role of good governance in the contemporary consumer protection landscape.

2. The EU's institutional framework, including the ECC and the LSCRPA, plays a pivotal role in operationalizing legal guarantees for consumer rights, particularly in mediating disputes, enforcing fair trade practices, and ensuring product safety. Their activities, underpinned by the principles of good governance, demonstrate the significance of institutional efficiency in addressing consumer complaints and facilitating redressal mechanisms. This underscores the necessity for a robust and responsive institutional reform to uphold consumer rights effectively.
3. The cooperation between the ECC, national consumer protection agencies, and the European Ombudsman is a vital in combating bureaucratic obstacles and ensuring the seamless implementation of consumer protection measures. Such a partnership not only helps in the effective handling of consumer complaints, but also strengthens the EU's commitment to transparency, accountability and fairness in consumer affairs. This inter-institutional synergy is essential for navigating the complexities of cross-border transactions and digital marketplaces, ensuring that consumer rights are protected across the EU.
4. The dynamic nature of the digital marketplace and the evolving landscape of consumer transactions necessitate continuous adaptation and innovation in consumer protection mechanisms. The application of technology, particularly in dispute resolution and complaint handling, alongside proactive consumer awareness and education, are critical for enhancing the efficiency of consumer rights protection. This approach aligns with the good governance principle of efficiency and underscores the need for the EU's consumer protection framework to evolve in response to new challenges.
5. To further enhance consumer protection, there is a need for ongoing legal and regulatory reforms that not only address current disparities in enforcement and redress mechanisms across Member States, but also anticipate future challenges in the digital market. Such reforms should aim to strengthen the enforcement of good governance principles within consumer protection institutions and ensure that consumer rights are effectively upheld in all transactions, both domestic and cross-border. This entails a comprehensive approach that integrates legal, institutional, and technological strategies to build a more resilient and consumer-friendly EU internal market.

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