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**The Implementation and  
Internalisation of EU Consumer  
Protection Policy in the Republic of  
Croatia**

*An Analysis of Institutions and Consumers*

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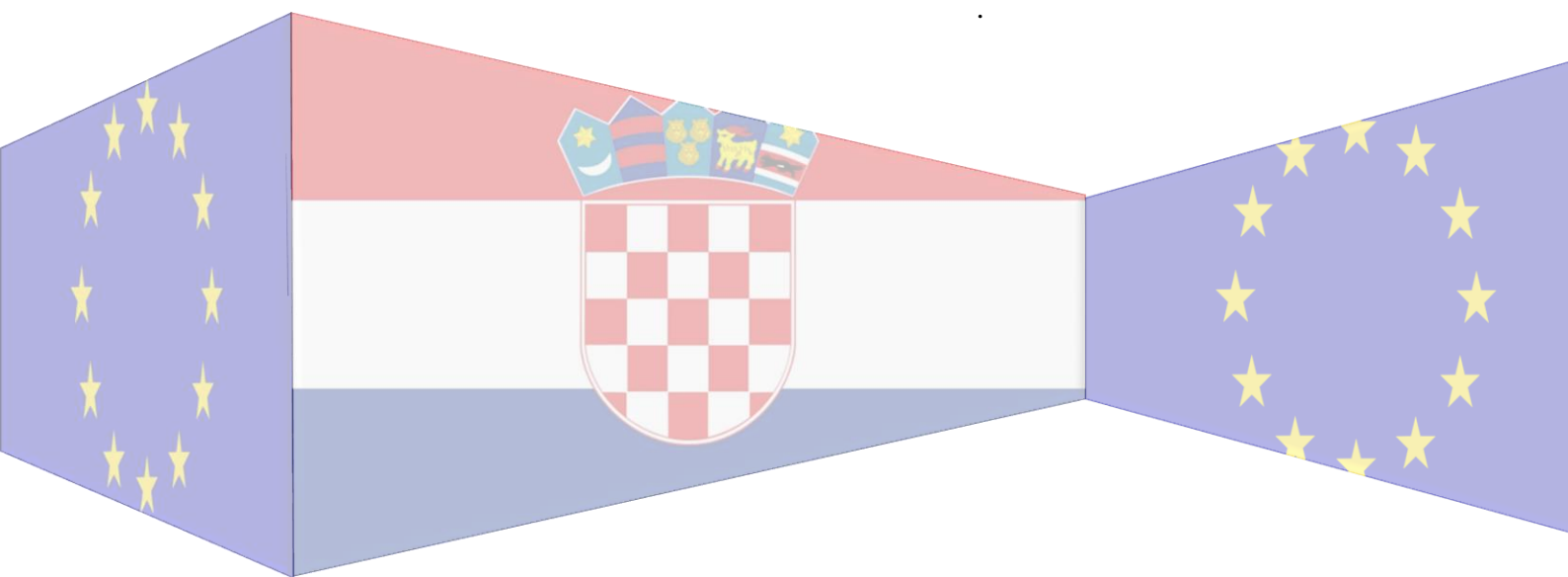
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## **Abstract**

The aim of this thesis is to investigate the real life application of multilayer-implementation theory with respect to European secondary law within the Republic of Croatia by the example of EU Consumer Protection Policy. It intends to point out the degree of fit/misfit between European requirements and the Croatian national institutional framework and assess the effectiveness of the Croatian system. Additionally, it attempts to analyse the Croatian consumers' attitudes towards EU Consumer Protection Policy. For the analyses qualitative (interviews) and quantitative (survey) data collection has been used. The thesis eventually shows that while the Croatian institutional framework seems to have properly adapted to the European requirements, the attitude of consumers towards the European Union's system of consumer protection shows a significant lack of interest and knowledge. It concludes that this lack of consumer knowledge may form a potential flaw within the multilayer-implementation system of EU Consumer Protection Policy in the Republic of Croatia.

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# **1. Introduction**

Consumer Protection Policy (CPP) aims at the regulation of an economic transaction between a seller and a buyer (consumer). It is intended to tackle the abuse of asymmetric information by the selling party. Possible tools used are specific obligations to the seller or particular product standards. Both are particularly being used within directives passed by the European Union (EU). During the process referred to as „implementation“, the Member States' national governments are sought to convert the guidelines of the directive into a corresponding national law (Art. 288 TFEU).

The aspect of consumer protection is declared essential to the *acquis communautaire* (Chapter 28) and the completion of the Internal Market (EC 2016a). The European Union became officially competent in the field of consumer protection with the Maastricht Treaty (Art. 129a TEU). In order to foster a harmonized environment with respect to consumer protection, Directive 2011/83/EC has been passed in 2011. It aims at the protection of consumers against an abuse of unequal information between sellers and buyers within business contracts (European Parliament (EP) & Council of the EU (CEU) 2011).

Previous academic studies on implementation of EU Law have been carried out covering mainly the investigation of the formal transposition of directives into national law (Mastenbroek 2003; Thomsen, Torenvlied & Arregui 2007; Kaeding 2006; König & Luetgert 2009). Key findings of those studies implied the theory of a so-called „Implementation Deficit“ in the European Union. It has been pointed out that the negligence of national governments to implement is strongly related to self-interest. This view is in accordance with the study of Tallberg (2002) „Enforcement Approach Theory“. Specific research done on the inter-layer mechanisms between the EU, national governments, local administrations and final law recipients has been neglected. However, Grabbe (2001) remarked, that especially in Member States of Central and Eastern Europe, the role of administrative frame within a country is vital for an analysis of EU-related governance issues. A reason for that may be seen in the past of socialist structures of administration. Due to the very recent accession to the European Union in 2013, research done on Croatia's integration into the European multilayer environment (Hoffman 2008) is still at an early stage. Such investigation might be important as it might provide insights into how the country is coping with the new requirements of European integration it is confronted with. The discretion given to the Croatian government, as well as the inherited administrative and social structure may cause what Borrass (2014) and

Versluis (2007) called a “mismatch” between the initial goal of the directive and the eventual outcome on national level.

This thesis explores the interrelation and interdependency of the European Union, the national government, local administrations and economic actors (Hill & Hupe 2003, Hoffman 2008) within a continuous process of implementation of European Secondary law on consumer protection in Croatia. It intends to detect and analyse crucial junctions between them, with respect to their impact on the effectiveness of implementation (Borrass 2014). The thesis also investigates the impact of EU consumer protection policy on consumer attitudes towards their position as a consumer on the European internal market, to obtain additional insights into the effectiveness of EU consumer protection policy.

This thesis focuses on the following research questions: (1) How successful is the transposition of EU law on consumer protection into Croatian law? (2) What variables may contribute to companies' compliance with EU consumer protection requirements? (3) What potential flaws within the chain of implementation of EU CPP Law can be detected in Croatia? (4) What is the impact of EU consumer protection policy on consumer attitudes towards consumer interest, source of information, knowledge of EU rights and consumer welfare / security?

This thesis is expected to contribute to the literature in several ways.

Firstly, the thesis will particularly contribute to Legal and Systemic Europeanisation of Western Balkan countries. It may reveal the particularities of the Croatian implementation system, and thereby deliver important information about the current fittingness of the latest EU accession to European legal requirements in practise. Additionally, it may function as an analytical tool for potential future studies on the EU accession of other, Western Balkan countries.

Secondly, this research is expected to contribute to additional insights into the multilayer-Implementation of European secondary law. The analysis of the Croatian approach to EU law implementation may reveal information about the difficulties the current Multilayer-environment bares for relatively young members of the European Union. It especially has potential to point out the (non-)compatibility of the latter with an administrative set up, that is presumably still based or affected by the (socialist) past.

Thirdly, the thesis might contribute to the analysis of the impact of EU Accession on Croatian Consumer Law. It will help to assess the former approach of the Croatian state to the field of consumer protection and show, which particular effect European requirements have had on the country.

Fourthly, the analysis has been carried out for the first time in Croatia. It is a member of the EU and a post-transition, catching up economy. As there are differences among EU Member States and also CEE countries in terms of economic development, structure of society and institutional frameworks, it might be assumed that there are some peculiarities related to Croatian the environment. Both, the Croatian implementation system with respect to EU Law and the Croatian consumers' attitudes towards EU CPP have been investigated the first time since accession to the European Union in 2013. The thesis provides some additional insights into the impact of EU consumer protection policy on consumer attitudes towards fields which are relevant to EU CPP, like consumer interest, knowledge of EU rights, preferred sources of information for consumers and an own assessment of increased consumer welfare / consumer security due to EU CPP.

The thesis has some implications for policy makers. It points out potentially relevant factors which have to be taken into account by drafters of CPP law on both European and national level. Policy makers can make use of potential causality investigated by this thesis. It may set out to what degree the national administrative structures of Croatia must be reflected within policy approaches to implement European directives. By doing so, it also may provide information about where institutional change should be considered. Eventually, national policy makers may be provided with information about particular "pillars" (e.g. consumer awareness) of successful implementation. Thereby it may help them identify factors, which should be enhanced by the government to assure proper implementation.

It is expected to find a strong degree of interlinkage between effective implementation and national experience in the field of implementation processes. Furthermore, a crucial dependence of law recipients' compliance on an effective national controlling system (Bowles, Faure & Garoupa 2008; Bardach & Kagan 1982; Shavell 1993) and consumer awareness are assumed. Consumers are expected to still lack proper knowledge, though.

The thesis is divided into the following chapters: Chapter 2 analyses the concept of CPP Law and its Implementation in CEE Countries, as well as the alleged impact on consumers. Chapter 3 introduces the first approach's theoretical set up. Chapter 4 sets out the theoretical

model of the second approach. Chapter 5 elaborates on the specific methodology of both approaches. Chapter 6 provides the eventual results of the qualitative and quantitative research. Chapter 7, eventually, discusses the findings and put them into relation to the theoretical framework. Based on the compatibility between the theoretical assumptions and empirical outcomes, final conclusions are developed and concluding answers to the hypotheses are given.

## **2. The Concept of EU CPP Law and its requirements**

European CPP law is a legal tool of the European Institutions designed to harmonize the national CPP of the European Member States. Non-harmonized national CPP would bare the danger of distorting competition. It originates in the exclusively European competence to act in policy areas, which concern the completion of the European Internal Market (Art. 3(1) TFEU). Officially, the European Commission (2016b) sees its purpose in the enhancement of consumers' trust and active participation in the Internal Market's structures.

European CPP entails two major approaches to achieve the intended harmonisation.

The first one is European regulations. They do not require further implementation by the Member States but are directly effective. This means, that consumers can directly derive individual rights from a regulation, which entitles them to refer to it in front of national courts as valid law.

The second one is European directives. They do require implementation into national law by the Member States. Here the national government has discretion within certain limits imposed by the directive's content. The purpose of the discretion is the opportunity to adapt the requirements to the particular national environment and structure of the market. Contrary to European regulations, consumers cannot directly invoke individual rights from a directive in front of national courts.

The particular requirements of European CPP Law, as well as the addressee, are dependent on the approach being chosen by the European Union.

In the case of European regulations in the field of CPP, the receiver of the requirements can usually be found in the selling party engaging into a transaction on the market. A good example to illustrate this situation is Regulation No 753/2002 by the European Commission (2002). It is aimed directly at wine producers within the Internal Market, imposing the duty of

labelling their product in a particular way. The chosen language is very precise, indicating specific obligations like the provision of precise “alcoholic strength by volume, nominal volume, presence of sulphites, lot number etc.” The direct effect of this regulation makes the wine producer directly liable to consumers, who can charge violating producers legally in front of national courts. Regulation No 1169/2011 by the European Parliament and the Council (2011a) on food information provided to consumers goes into the same direction. Here the European legislator specifies which type of food product requires which particular information on its package (e.g. ingredients, country of origin, nutrition labelling...). Hence, the content of a European regulation on CPP becomes automatically binding in detail for national producers.

The application of European directives on CPP works differently than regulations. Directive 2011/83/EU (2011b), which is being taken as basis for this thesis, indicates how the requirements and addressee differ from the case of a regulation. Contrary to regulations on, for instance, particular product standards, the aim of a European directive in this field is to create a harmonized, but not necessarily equal legal environment throughout the Member States.

While product standard requirements are directly aimed at producers, the content of a directive is addressed to national governments. Hence, the directive itself does not yet impose obligations to producers, but the eventual national law, drafted in accordance with the directive’s content, does. This is important, because it creates liability of the state within the legislating process of European CPP Law. In the case of Directive 2011/83/EU, European CPP Law requires the national legal assurance of consumers’ rights to particular information before the conclusion of business contracts. Required information entails, among others, the final costs occurring to the consumer, information about the consumers’ right to withdraw from the contract or maximum costs of companies’ phone lines provided to consumers. Member States have the possibility to impose stricter requirements than the European guidelines, but not less strict ones.

Hence, the concept of European CPP Law entails two contributing factors. Regulations, which are addressed at producers and require particular standards for sold products, and Directives, which address and set a compulsory framework for Member States to pass legislation within the field of CPP on national level. Eventually, the requirements may slightly differ within the Member States, but the general direction is similar.



## **2.1 EU CPP Law Implementation in CEE Countries**

The question of EU law implementation within Central and Eastern European (CEE) Countries has attracted particular attention after the big Eastern enlargement with the EU in 2004. In that year Poland, Estonia, Latvia, Lithuania, Slovakia, Slovenia, Hungary, Malta and the Czech Republic became full Member States of the European Union.

Academic research has ever since come to the conclusion, that CEE countries face significantly different challenges to successful implementation of requirements of the European Union than their Western counterparts.

Even before the accession was completed, Dimitrova (2002) pointed out, that the compliance with the *acquis communautaire*, thus the most essential European requirements related to accession in the first place, made it necessary to the concerned countries to change their institutional framework drastically. Her findings revealed that the transition from a socialist system towards a market economy, compatible to Western European standards, faced the obstacle of lacking administrative capacity.

In the same year (2002) Malova & Haughton confirmed the troublesome impact of the historical administrative set-up within former socialist countries on compliance with EU standards. Additionally, they emphasized the positive influence of European requirements as a pressuring factor on institutional change in the concerned countries.

Vintrová (2004) affirmed within the year of enlargement, confirming foregone studies on the assumable administrative mismatches, that the implementation of EU law exceeds the institutional capabilities of CEE countries. Here it is particularly emphasized, that the initiation of institutional change towards a system in accordance with European requirements can be considered difficult.

One could call this crusted bureaucracy, relatively hostile to change once established and internalized by participating actors. Hille & Knill (2006) confirm this thought in their research on the reason for deficiencies in the implementation process of the *acquis* within CEE countries. They also come to the conclusion, that non-fitting bureaucratic structures are likely to be a key element of unintended violation. Toshkov (2007) supports this approach, concluding that administrative effectiveness positively influences implementation. However, his study also finds indication for a positive effect of the national government being in favour of the content of European guidelines. Toshkov (2008) added to his findings, that the field of

policy plays a significant role. EU law in trade-affecting policy areas show a higher likelihood of being properly implemented in CEE countries.

Tulibacka (2009) concludes that CEE countries' "voluntary conversion with the West" (p.1) caused deep organisational changes within all layers of the national implementation system.

CPP as being defined within modern Europe's market economy did not technically exist during socialist times in CEE countries. They see the reason in a strict rejection of the capitalist seller-consumer relation. Consequently, the transition towards market economies and tendencies towards Europeanisation required CPP creation from scratch. The approaches to establish a proper system of CPP within CEE were not equal. Spontaneous and abrupt transition (e.g. Poland) opposed slow and steady change (e.g. Hungary) (Cseres 2005).

The formal transposition of European CPP Law into national law did not seem to be a key problem in CEE countries. Slovenia introduced, among other laws, the Consumer Protection Act (1998), which aimed at proper indication of final prices of goods and services as well as the provision of warranties, and the Consumer Credit Act (2004), which regulates the provision of financial services to consumers in response to European requirements.

## **2.2 Impact of EU CPP on Consumers and Welfare**

The European Union emphasizes that its policy on consumer protection is aiming at the improvement of consumer welfare throughout the European single market. The harmonisation of national standards with respect to consumer protection is expected to create an economic area with very high protection standards (EC 2016a).

According to the European Union this is necessary to create trust of consumers in the market and the potential legal remedies given to the consumers as one of the key actors within the European economy. Hence, it is meant to increase consumers' security within the economic environment and thereby increasing consumers' total welfare (EC 2016b).

Consumer welfare can be seen to be a total assessment of the consumers' standing ground within a market of economic activity. A wide range of consumer rights, high standards for product quality, as well as low prices contribute positively to consumer welfare. A low level of rights, hence a weak position of the consumer in comparison to producers, as well as low product standards in terms of quality and high prices, for example due to a lack of competition on the market, can be considered to have a negative effect on consumer welfare. In economic

terms one can call consumer welfare consumer surplus (Fox 1987). Orbach (2010, p. 5) again called consumer surplus the "...perceived welfare of buyers in a particular market."

The strengthening of consumers' rights by the European Union is also seen to have a positive effect on the competitive situation on the internal market. By harmonising national standards on consumer protection a level plain field for companies from all Member States is created (Twigg-Flesner 2005). Since this is the case, companies face very similar up to equal conditions they have to meet throughout the entire market they are part of. Therefore European Consumer Protection Policy is considered a tool of the European institutions to foster competition, which is one of the Union's main objectives with respect to its market. A high degree of competition is seen to be beneficial for consumers, since it puts pressure on prices and encourages companies to provide high quality products to ensure the persistence of their share of the market in future.

European Consumer Protection Policy ranges from setting minimum standards for products to guidelines for the provision of services, as well as defining which legal rights consumers are to have as economic actors (EC 2016a).

Prominent examples of the first aspect are precise definitions of a particular product (e.g. required ingredients, geographical protection to avoid misleading information). Thereby consumers are provided with information about the product they are interested in which may have a significant effect on their choice whether to buy or not to buy the product. Furthermore it ensures a certain quality and the consumer can be sure, that the product really is what it is said to be by the producer.

The second aspect also concerns Directive 2011/83/EU. The directive aims at the definition of consumer rights with respect to sales contracts (EP & CEU 2011). Here EU CPP attempts to increase consumer welfare by giving them a high legal ground in comparison to service-providing companies. The directive includes the situation of an online or "off-facility" sales contract and provides particular requirements about information that must be handed to the buyer beforehand, as well as the rights to withdraw from a contract. EU CPP thereby creates an environment for consumers, in which they are less threatened to be caught in a contract under terms they would not have known before signing it. This means that their security as contract party is increased and therefore is consumer welfare.

Hence, it is to say that EU CPP is the European Union's powerful tool to strengthen the consumers' position in economic interactions at the cost of the sellers. This shift is intended and seen as a strategy to create a high degree of consumers' welfare and thereby trust into the internal market (Weatherill 2013).

### **2.3 EU CPP Law Implementation in Croatia**

The Republic of Croatia in its contemporary form exists since 1991. After the dissolvent of the former Socialist Federal Republic of Yugoslavia, which had gone along with a disastrous war between the population's ethnic groups, the country had gained full independence and immediately began to establish strong ties with Western European countries and the European Union.

The visible orientation towards the West may be explained by historical developments on the one side, and strong identification with Western European culture and values on the other side. Traditional ties to the Austrian-Hungarian Empire can be considered to have had a significant impact on the countries' self-identification. As of 2011, the year of the most recent public census, 86% of the 4.3 million inhabitants of the country declared to consider themselves Catholic Christians (Auswärtiges Amt 2016).

Only around a decade after full independence, Croatia officially declared its intention to become a full member of the European Union in 2003. This decision by the national parliament was based upon broad consensus within the political landscape of the country (Croatian Parliament 2002). In positive response, the EU granted the official applicant status to the country one year later in 2004. The negotiations were successfully concluded in 2011, being confirmed by the Croatian electorate through a national referendum in 2012. More than 66% of the voters agreed to join the European Union (Čović 2012). Eventually, this led to full membership in 2013.

According to official statements of Croatian political actors, the accession to the European Union was and is seen as a chance to extended necessary reforms of the country. These reforms contain, among other fields, the areas of institutional organisation and economic and legal framework (Ilic & Radosavljevic 2012).

Alleged misfits between the Croatian state's realities and European standards have steadily accompanied the process of accession. The European Commission, as well as the former Croatian government, has identified the assumed degree of corruption a significant problem to

reforms. Resulting administrative inefficiency is seen as a contributing factor to a lack of international competitiveness. The World Economic Forum (2016) listed the country as 77th in its competitiveness report, identifying the inefficient institutional environment as a key weakness.

Over the recent years Croatia is considered to have become more critical towards European integration. The outcome of the parliamentary elections in 2014 has shown an increase in national-conservative forces within the Croatian government (Guerra 2013; Cipek 2014; Marini 2016; Anastasijevic 2016). Here one can observe parallels to the development within other Central and Eastern European Countries. Reasons are seen in the disappointment of Croatians with respect to initial hopes connected to the European Union, for example economic stagnation and lack of improvement of the living circumstances for people. Another alleged reason is degree of lost sovereignty as a result of European integration, which is seen critical by many Croatians due to the young history of full independence.

Consumer Protection Policy is predominantly affecting the policy area of economic transactions, and therefore trade. Hence, the proper implementation of EU requirements on consumer protection should be, following Toshkov's (2008) theory, of comparatively higher interest to the Croatian government. This thesis may therefore, as a side effect, also determine, whether Croatia fits into the classification of a typical CEE Country with respect to EU law implementation.

Here it is necessary to be aware of the fact, that the Croatian accession took place 9 years after the Eastern enlargement wave of 2004. Hence, the country could be seen to have had significantly more time to initiate institutional change, which is claimed to be important to proper implementation (Vintrová 2004; Hille & Knill 2006). On the other side, the pressure from the outside (EU) on national institutional structures can be considered to have been higher within CEE Countries, which had been exposed to full membership obligations since 2004.

Already in 2003, the year of official membership application, the Croatian government has passed the “Consumer Protection Act” (Gazette N. 96/2003). It clarifies *“the right to the protection of the economic interests of consumers, the right to the protection of life, health and property, the right to efficient legal protection of consumers, the right to informing and educating the consumers and the right to establishing the consumers' associations aimed at*

*protection of their interests, as well as the right to representation and participation in the activities of the bodies dealing with issues of interest for the consumers.”*

In the same year Croatia adopted the “General Product Safety Act” (Croatian Parliament 2009), which originated in Directive 2001/95/EC of the European Union. It set out the basic safety requirements to products in case of an absence of particular European legislation on the product. Additionally to a general requirement of safety, it required warnings about potential dangers of consumption, as well as efforts to minimize such risks.

In 2005 the government passed the “Civil Obligations Act” (Croatian Parliament 2008). It sets out the particular obligations to contracting parties within the country. Furthermore it explains the procedure in case of unforeseen occasions that affect the contract and specifies legal remedies available to the parties in case of contract violations.

In their screening report on Croatia, the European Commission (2007) concluded that the foregone acts were suitable tools to transpose the CPP requirements of the *acquis communautaire* into national law. Furthermore the report mentions the intention of the Croatian government to adapt the national controlling system to the new requirements. The responsible government institution is the Consumer Protection Department of the Ministry of Economy, Labour and Entrepreneurship (EC 2007).

Based on the assessment by the European Commission in 2007, it can be said that the Croatian measures since application in 2003 aimed at the compliance with European CPP in order to achieve accession. Hence, the will to transpose properly has been existent within the country before accession in 2013. The necessity to adapt the institutional framework, however, has also become visible during the recent decade (EC 2007).

### **3) Effectiveness of EU CPP – Application of the concept of Multilayer Implementation**

#### **3.1. Theoretical background**

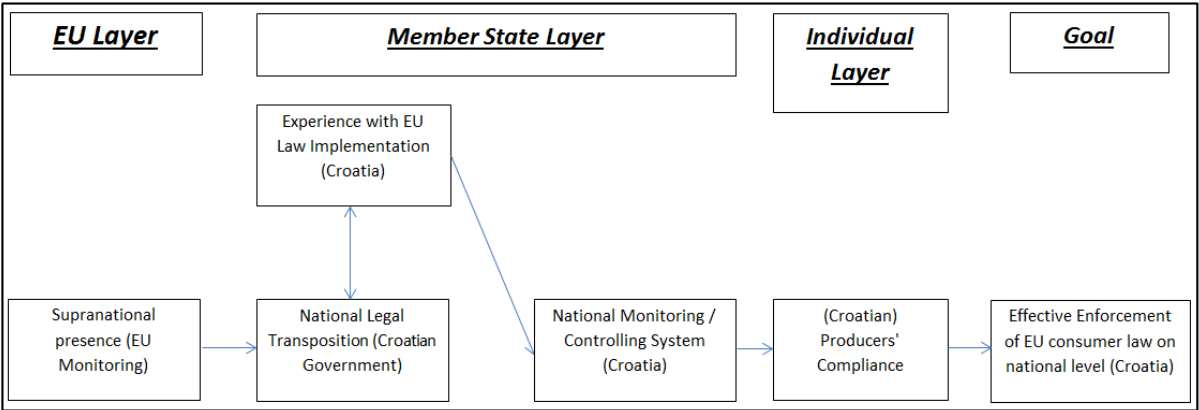
The transposition of European directives into national law is necessary for successful implementation. However, it is only the first step at national level within the national implementation process. It happens within a complex institutional environment. The term “multilayer implementation” is frequently used to describe the process of implementation of

EU Law on national level (Hill & Hupe 2003). Within a set-up of interrelated institutions and contributing national factors, the final successful implementation, the achievement of the initial intention of the directive, may depend on specific interactions and dependencies. In this thesis these shall be investigated by the example of European CPP Law in Croatia. The investigation of European CPP Law in Croatia will be split into two different parts of research.

The first part will focus on the effectiveness of the Croatian system of implementation. Contributing factors like transposition into national law, the learning effect and proper monitoring will be taken into account by the analysis.

The assumed set up of interdependencies within the implementation process of EU CPP is being visualized in figure 1 below.

**Figure 1**



**The European Layer**

Article 288 TFEU (ex. Article 249 TEC) provides the precise legal base for the adaptation of measures to harmonise the European legal environment. The European Union's fields of competence are set out in Article 3 TFEU. In accordance with Article 5 TFEU they are conferred upon the European institutions.

The process of the „Ordinary Legislative Procedure“ is defined in Article 294 TFEU. It predominantly assigns the task of expert consultation and drafting towards the European Commission. Consecutively, the draft is to be passed on to the European Parliament and the Council of the European Union. Both are expected to either adapt or reject the Commission's

proposal. Depending on the outcome of the latter, the draft directive is either becoming binding on the Member States or becomes a subject to change or is entirely discarded.

Hence, it is the EU layer which is responsible for drafting and eventually passing a directive. Additionally, the EU layer takes a second significantly relevant role, by monitoring the progress of implementation within the Member States. Article 17 TFEU has assigned this particular task to the European Commission. The Commission is entitled to require active communication with the Member State in order to assess the progress that has been made and detect potential delays, as well as the reasons for the same.

In case of insufficient progress being made, the Commission is apt to foster a solution and, in case of continuing lack of progress, to eventually challenge a Member State in front of the European Court of Justice. The court is defined to be the last instance with respect to legal settlements between the European layer and national layer, as set out in Article 258 TFEU (ex. Article 226 TEC).

### ***The Member State Layer***

The drafting and successful ordinary adaptation of the directive implies the obligation for the individual Member States to take appropriate measures in order to transform the required guidelines set out in the directive's content into national legal acts. The achievement of the goal is the measure for success.

In the case of Directive 2011/83/EC this goal is increased protection from abuse of an imbalance of information between the seller and the buyer. It aims to increase the degree of information provided to the consumer before engaging into business contracts.

Versluis (2007) has pointed out, that there is a significant difference between analysing the formal transposition through the national government, or the practical implementation in practise. As this paper is mainly focused on the latter dimension, local authorities must be taken into account. They are supposed to make the law of the national government work.

In the case of consumer protection those are monitoring agencies. On one side they are expected to make affected individuals aware of the changing circumstances. On the other side they assess compliance with the law and enforce it (Bardach & Kagan 1982). The latter aspect plays a major role in an analysis of national implementation systems. Without effective enforcement, a law is subject to violation.



### *The Individual Layer*

The third relevant major layer in this thesis will be the individual. It shall be defined by final law recipient. In the case of Directive 2011/83/EC this is the regulated company. Compared to the previously mentioned layers, the individual layer is not able to contribute to the drafting and transposition of the law. It functions as a pure taker of the legal circumstances.

However, the individual layer is of high importance to the analysis in this thesis. Companies are not to be considered as law-obeying by nature but can be considered a rational actor with respect to their incentives to comply or not comply with its obligations. Company compliance is, however, essential to reaching the goal.

## **3.2 Investigated Relationships**

### *The Relationship between Supranational Presence and National Legal Transposition*

It is assumed that national governments in the European Union take pressure from the European institutions into account when they assess the necessity to transpose European directives into national law. National legal transposition is commonly defined (EC 2015) as the formal process of creating a national law, that is aiming at the realisation of the intention behind a European directive. The national government enjoys discretion with respect to the precise drafting of the national law, as long as it is considered apt to achieve the European aim of the directive.

Tallberg (2002) and Falkner (2005) argue that one reason for non-proper transposition is to be seen in the intentional unwillingness of the national government to take appropriate measures. Bowles et al. (2008) contribute to this approach, that economic incentives may play a significant role in the thinking of national governments during transposition. This means, that in the case of active reluctance by a national government, the expectation of low economic costs may contribute to this behaviour.

Therefore, it is to assume that an effective European monitoring system plays a huge role in an effective chain of implementation. Croatian national actors involved are expected to feel significant pressure from the EU institutions to properly transpose and implement the common guidelines.

On the other side, it is therefore assumable, that high economic costs may increase the degree of willingness to transpose properly. The monitoring system of the European Union (Art. 17

TFEU) allows financial sanctions against a Member State in the case of detected insufficient transposition. Following the argumentation of Tallberg (2002) and Bowles et al. (2008), these may function as expected costs to a non-complying national government.

However, when assessing the expected costs, the pure height of financial sanctions is not sufficient to predict the motivating impact. Correlated, the chance of being quickly identified as non-complying may play a vital role. Quick identification in the case of EU law transposition requires an effective European monitoring system, which keeps track of Member States' steps during the process of transposition.

### ***The Relationship between the experience with EU Law Implementation and an effective national monitoring / controlling system***

The implementation of European Union law is on the regular agenda of European Member States. After transposition, the eventual assessment of achievement of the goal provides feedback to the national government about the effectivity of the own institutional system. The main origin of this feedback can be assumed to come from the actors, which are responsible for the application of the law in reality. Depending on the positive or negative evaluation, national governments can be encouraged to analyse the reasons for the specific outcome. The accumulation of this feedback can be seen as the gain of implementation experience.

Already Goggin (1986) has alleged, that informative communication between responsible layers may decide over success and non-success of achieving the intended outcome. However, his studies are aimed at the United States and their political system, which must, in spite of attempts to compare them (Reid 2004), be seen as significantly different from the European Union's. The European Member States have not been part of a legal multilayer entity until a recent time ago, compared to the United States. Croatia, which is the centre of this research, has less than three years of experience within the framework of European community law. Only knowledge about potential flaws in the implementation system may lead to a consecutive improvement of the system in order to make it work in future.

Therefore, it is assumed that experience in EU Law Implementation affects positively the national monitoring / controlling system in Croatia. Through the "learning effect" the country's institutions are expected to become more effective with respect to proper implementation.

### *The Relationship between an effective national monitoring / controlling system and producers' compliance*

Monitoring and controlling at national level is predominantly delegated to national agencies in charge of their particular field. The rationale behind this is the assumed higher degree of specialisation and thereby effectivity of controlling a certain branch, that is affected by the law. In their well-known work „The Good Inspector“ Bardach & Kagan (1982) argued that the structure and composition of the controlling agency is essential to its effectivity. Since the degree of effectivity in this thesis is determined by the achievement of eventual compliance, the relation between the controlling agency and the controlled is of particular importance.

The controlled in this case are the producing companies, which are meant to be affected by Directive 2011/83/EC. Referring to the argumentation by Bowles et al. (2008) the relation between these two variables can be seen as economically influenced. The compliance of a company may depend on rational assumptions about the expected costs of non-compliance.

Based on this assumption, the condition for the achievement of companies' compliance is the ability of the controlling entity to create an environment, wherein non-compliance is considered too costly to companies. Once again, the degree of sanctions as well as the chance to get caught must be combined.

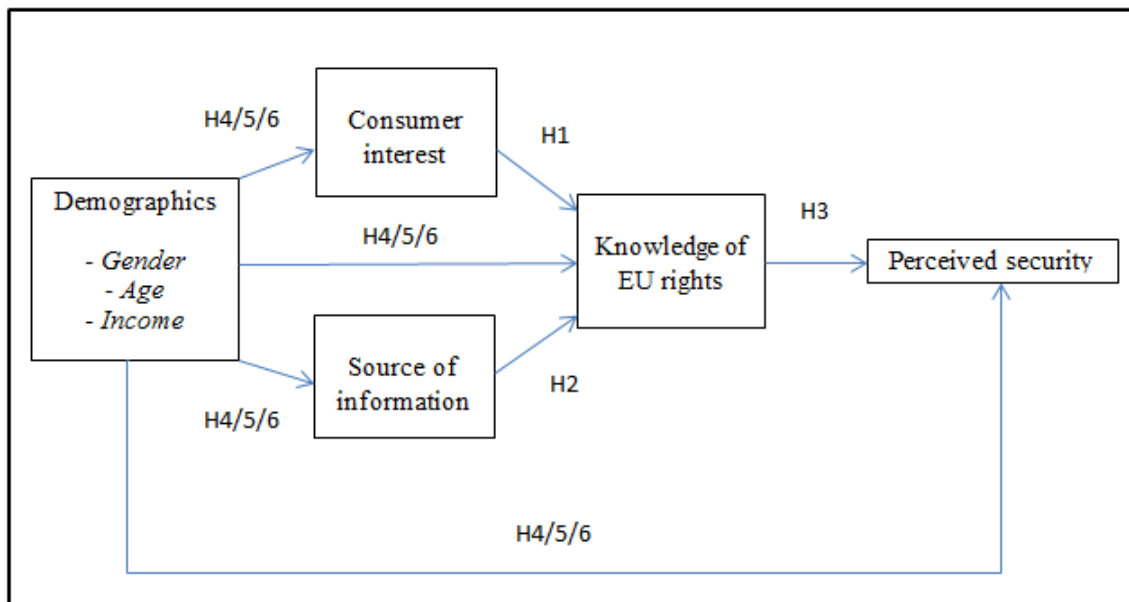
Therefore it is assumed that Croatian companies are eager to comply with consumer protection policy when pressure from controlling / monitoring agencies is a constant factor in their calculations.

## **4. Impact of EU CPP on Consumers**

### **4.1. Conceptual model**

While the first part of this research concentrates on the systemic effectiveness of implementation, the second part of this research puts its focus on the examination of the impact of European Consumer Protection Policy on consumers. It tries to investigate what impact it has on consumers in terms of their interests in EU CPP, their knowledge of EU CPP, their sources of information with respect to EU CPP and eventually the effect EU CPP has on their perceived security (consumer welfare). The precise set up of the assumed model in this respect can be seen in Figure 2 below.

*Figure 2*



### **4.2. Hypotheses development**

„Consumer Interest“ in this paper is being defined as the degree of desire of an individual consumer to acquire knowledge on EU CPP and its influence on him-/herself. It entails both, the consumers general interest into the European Union and its implications as well as particular interest into consumer protection.

Hyman & Sheatsley (1947) pointed out their work „Some Reasons why information campaigns fail“, that the formal establishment of information channels is not sufficient to explain the actual reception of information by the addressee. Moreover, they argue in favour

of the strong influence of personal interest as a key pillar for successful information transmission. Hidi (1990) additionally emphasized that „...interest is central in determining how we select and persist in processing certain types of information“. Hence, she alleges that acquisition of knowledge depends on initial individual interest.

Based on these assumptions it is to expect that Croatian consumers with a higher interest in their consumer rights derived from EU Law show a higher degree of knowledge as well. Hence, the first hypothesis is:

***H<sub>1</sub>: Consumers' Interest is related to Knowledge of EU Rights***

„Source of Information“ shall be defined as individual consumers' preferences with respect to the source they choose to acquire information on EU CPP.

Consumers which are interested in obtaining knowledge about EU CPP correspondingly are faced with the question of where to obtain this information from. It may be assumed that there are different ways of getting informed about the topic. Will consumers for example make use of the internet and particular websites, or will they rather prefer to receive information from their social environment? The choice they make can be assumed to have a significant impact on the actual degree of knowledge they eventually obtain. Kornelis, De Jonge, Frewer and Dagevos (2007) have elaborated the impact of individual preferences with respect to acquiring information. They point out that there is a significant difference between individuals, who prefer their social environment as main source of information, and others (the largest group), who consider official institutions and their provided information most credible. Chadwick & May (2003) have in this respect pointed out the concept of electronic communication („e-communication“) between official institutions and consumers. Hence, it is of interest to assess which degree of value Croatian consumers attach to the accessibility of information via the internet, which is the prevalent source of information on consumer protection by the European Union. Hence, the second hypothesis is:

***H<sub>2</sub>: Source of Information is related to Knowledge of EU Rights.***

„Knowledge of EU Rights“ is being defined as the degree of actual knowledge the individual consumer has with respect to particular effects EU CPP has on his/her personal situation as a consumer on the internal market. It implies knowledge on European competences in the field of consumer protection as well as particular changes in consumer protection law, which have their origin in European law.

John Dalli, the former European Commissioner for Health and Consumer Policy between 2010 and 2012 drew a parallel between consumers being well-informed and feeling safe as consumers (EC 2012). Obtained knowledge of EU CPP may not be a purpose on its own but actually contribute to a particular way of feeling the individual consumer develops as a result of his/her degree of knowledge. It is, for instance, assumable that a well-informed consumer is aware of his/her possibilities in case of detected violation. A result of this can be considered to be an increased personal feeling of security in terms of the degree of the own protection as a consumer. This again may be a contributing aspect to one's own level of perceived security.

„Perceived security“ is being defined as the individual consumer's felt protection in his role as a consumer. It describes the consumer's perception of potential remedies against violations of his consumer rights as well as the expected chances of his rights being effectively protected by the relevant actors involved.

Hence, the third hypothesis is:

***H3: Knowledge is positivey related to Perceived Security.***

When analysing the attitude of Croatian consumers to EU CPP it is also of interest to find out whether there are differences based on demographics. Based on the particular demographic group of consumers, it may be the case that some groups tend to show a higher degree of interest, knowledge, different approaches to obtaining information or eventually perceived security.

Based on gender it could be to assume that men and women show diverging attitudes due to, for example, higher frequencies of making use of corresponding retailers or providers of services. Furthermore they could show significant differences with respect to media usage. Weiser (2004) found that men tend to use the internet more frequently in general, while women tend to access educational sources more often once they are online. At the same time Hansen & Møller Jensen (2009) state that women tend to make use of online sales more often than men. Therefore, the fourth hypothesis shall be:

***H4: Gender affects (4a) consumer interest, (4b) source of information, (4c) knowledge, (4d) perceived security.***

The same assumption could be made for particular groups of age. Younger consumers may on the one side have less experience with consumer protection than older consumers. On the other side they may be more experienced with respect to using media and the internet, which

is assumed to be a key providing source of information on EU CPP. Already Phillips & Sternthal (1977) came to the conclusion that young and older consumers tend to differ with respect to processing knowledge as well as their sources of information. Therefore the fifth hypothesis is:

***H5: Age affects (a) consumer interest, (b) source of information, (c) knowledge, (d) perceived security***

Eventually, the factor of income may play a significant role. Consumers who have more money at disposal could be expected to pay more attention to aspects of EU CPP as they are more likely to worry less about financial shortages that could narrow their possibility of choice between products. Additionally lower income may affect the accessibility of particular sources of information. Hence, the sixth hypothesis shall be:

***H6: Income affects (a) consumer interest, (b) source of information, (c) knowledge, (d) perceived security***

## **5) Research methodology**

The data was collected in two ways: 1) with interviews with public policy makers, (2) with consumer survey.

### **5.1 Interviews**

The assessment tool for the first part of this research has been interviews with officials representing main actors in the Croatian system of consumer protection.

The first interview (see Appendix 2) has been conducted with Ivona Bačelić. She fulfils the function of the Secretary of the Trade Association within the Trade Sector of the Croatian Chamber of Economy (HGK). It took place on May 10, 2016 at the main building of the Croatian Chamber of Economy (HGK) at Rooseveltov Trg 2, 10000 Zagreb, the Republic of Croatia.

The topic of the interview was the institutional framework within Croatia that is supposed to ensure proper enforcement of EU CPP Law. The purpose was to obtain insight into the institutional situation within Croatia and an insider's assessment of the match between supranational requirements and national realities.

The interview took approximately 40 minutes.

The questions asked circled around the following topics: (1) The development and current stage of transposition and implementation of EU CPP Law in the Republic of Croatia. (2) The role of feedback and cooperation between the involved layers of implementation. (3) The situation for Croatian producers and their incentives to comply. (4) The particular role of consumers within the controlling / monitoring system within Croatia (as a link to the second part of this research).

The second interview (Appendix 3) was conducted with Ilija Rkman. He fulfills the function of the current president of the Croatian consumer protection association „Potrošač“ (eng.: „Consumer“). The interview took place on May 11, 2016 in Zagreb, Republic of Croatia.

The topic of the interview was the current situation of consumer protection in Croatia from the point of view of a Non-Governmental Organisation (NGO) mainly concerned with consumer protection supervision and support of consumers invoking their consumer rights. As an NGO, Potrošač takes a critical view on the development of the implementation of EU CPP



in Croatia and can provide its analytical outcomes to the researcher, who considers it of high relevance to a proper analysis.

The interview was conducted via e-mail and took approximately 60 minutes. During this time the questions asked by the interviewer concerned the following: (1) The impact of EU accession on the situation of consumer protection in Croatia. (2) The frequency of complaints by consumers about producers' compliance. (3) A potential learning effect within the country's implementation system.

## **5.2 Consumer Survey**

### ***Data Collection and sample***

The second part of this research, the consumer-oriented approach has been backed up by a survey among Croatian consumers. The survey has been distributed and collected simultaneously between May 3, 2016 and May 14, 2016 among Croatian citizens in two different ways. One share of the participants has been approached personally and been given hard-copy sheets of the survey. The other share has been approached via e-mail in the shape of an online form. Both versions entailed the exact same questions and layout. The purpose of the split up was the desire to collect responses from all parts of Croatia, while residents of Zagreb could be approached in person. Hence, it contributed to maximise the amount of responses.

Approached were Croatians of an age of 18 and older in a pattern that mirrors the population structure of the country. The total amount of responses were 73 (N=73), 30 of which were male (41.1%) and 43 were female (58.9%). The participants were distributed into three age groups. An age of 18-35 represented the youngest group (45.21%), 36-55 the medium age range (47.95%) and 56 and older was counted as high age range (6.85%). The participants were also distributed within three groups of received education (primary school, secondary school and higher education/university) and nine groups of earned income per household.

Table 1 below provides a summary of the characteristics of the sample being used.

| <i>Table 1: Sample characteristics, N=73</i>  |          |             |
|---|----------|-------------|
|   | <b>N</b> | <b>%</b>    |
| <i>Gender</i>                                 |          |             |
| Male  | 30       | 41.10       |
| Female  | 43       | 58.90       |
| <i>Age</i>                                    |          |             |
| 18-35   | 33       | 45.21       |
| 36-55   | 35       | 47.95       |
| 56 and more                                   | 5        | 6.85        |
| <i>Education</i>                              |          |             |
| Primary school or less                        | 0        | 0           |
| Secondary school                              | 20       | 27.40       |
| College, university or more                   | 53       | 72.60       |
| <i>Average monthly household income (HRK)</i> |          |             |
| up to 3,000                                   | 3        | 4.11        |
| 3,001-4,000                                   | 7        | 9.59        |
| 4,001-6,000                                   | 18       | 24.66       |
| 6,001-8,000                                   | 11       | 15.07       |
| 8,001-10,000                                  | 14       | 19.18       |
| 10,001-13,000                                 | 9        | 12.33       |
| 13,0001-16,000                                | 7        | 9.59        |
| 16,001-20,000                                 | 4        | 5.48        |
| More than 20,000                              | 3        | 4.11        |
| <i>Households size (mean value/St. Dev)</i>   | 73       | 3.44 (1.36) |

### ***Measurement of variables***

The survey consisted of 25 items which covered the following particular fields of interest: (1) Consumer Interest in European Union Consumer Protection Policy, (2) their knowledge with respect to their particular rights as an EU-citizen, (3) their preferences with respect to their sources of information about Consumer Protection Law, (4) their own assessment of felt security as a consumer.

Based on a Lickert Scale evaluation scheme, the participants were asked to indicate their degree of agreement with the proposed statements. The scale reaches from 1 (strongly disagree) to 5 (strongly agree).

The entire survey and the items used in the analysis are presented in the Appendix 1. Appendix 4 shows the evaluation sheet. The table below sets out the variables used in the analysis, which have been tested for internal consistency by the creation of the corresponding Cronbach's Alphas (see Chapter 6).

Table 2 Variables made use of for statistical analysis

| <i>Variable Name</i>  | <i>Content Source</i>  | <i>Measurement of</i>   |
|-----------------------|--|---|
| Consumer Interest     | <i>Hyman &amp; Sheatsley (1947); Hidi (1990)</i>   | Interest in EU; Interest in Consumer Protection; Demand for information on EU CPP   |
| Source of Information | <i>Kornelis, De Jonge, Frewer and Dagevos (2007); Chadwick &amp; May (2003)</i>          | Preference for official /government sources; preferences for sources from social environment; value paid to online sources          |
| Consumer Knowledge    | <i>Hyman &amp; Sheatsley (1947); European Commission (2012)</i>                          | Knowledge of EU Competences in CPP; Knowledge of EU Rights; Knowledge of Consumer Rights in Croatia; Knowledge of EU Sources on CPP |
| Perceived Security    | <i>European Commission (2012), Author</i>  | Trust in European Union; felt protection as consumer in Croatia   |
| Demographics          | <i>Phillips &amp; Sternthal (1977); Weiser (2004); Hansen &amp; Møller Jensen (2009)</i> | Gender; Age; Income Level   |

### **5.3 Concept for data analysis**

The answers to the questions during the conducted interviews will be tested with respect to their match with the alleged relations of this research. The analysis will be of qualitative nature and try to find confirmation of the assumed relations between the concerned variables. It will be seen, to which degree the interviewees' statements back the allegations made in this thesis.

For the analysis of the consumer survey use will be made of descriptive statistics. The focus will lie on mean values and standard deviations of the individual variables. Potentially detected correlations are approached with regression models and the analysis of variance (ANOVA).

## **6) Research results**

In this chapter the results of the conducted research will be shown and explained. First, the answers of the interviewed officials are being provided. Second, the outcome of the consumer survey is clarified and evaluated.

### **6.1. Effectiveness of EU CPP in Croatia (Interviews)**

#### *Assumption 1*

The first assumption concerns the relationship between supranational presence and national incentive to transpose European directives properly.

The interview with Ivona Bacelic of the Croatian Chamber of Economy provided the information, that Croatia has begun to stick to European requirements on consumer protection already in 2003. Ever since, the country has continuously adapted necessary laws to fully comply with them.

According to the interviewee, Directive 2011/83/EU is at this point of time fully transposed and implemented. She points out that implementation of EU CPP has been done step by step but nevertheless steady. At the moment the compliance rate is alleged to be „plus/minus total.“

On the question, whether pressure from European institutions did play a role for the motivation of the Croatian government to take these steps in accordance with the requirements, it is answered that the Republic of Croatia was eager to comply with the *acquis communautaire* right from the beginning of accession aspirations. It is stated, that full compliance with EU law is a key objective of the Croatian government.

Based on the responses it is not entirely clear if pressure from the European Union's institutions is taking an important role in the range of incentives for the Croatian government to properly transpose EU directives into national law.

From the interview the impression occurs, that the main incentive seems to be the willingness and open agreement with EU CPP requirements by the Croatian authorities. A particular fear of pressure from the EU could not be precisely confirmed.

Hence, assumption 1 cannot be surely supported.

### ***Assumption 2***

The second assumption made concerned the relation between national experience with EU Law implementation and an effective controlling / monitoring system.

The interview with the Croatian Chamber of Economy led to the awareness, that there are no mismatches between European requirements and the Croatian national institutional framework visible. The interviewee states, that the process of implementation of European consumer law in Croatia has definitely gained efficiency and effectivity over the years. Experience is said to have definitely played a role in making the transposition and implementation more efficient. There is a learning effect visible with respect to implementation of European consumer law.

During the interview with „Potrošač“ it was, however, alleged that the government's degree of value given to the field of consumer protection has decreased significantly. Thus, even if the knowledge with respect to efficient implementation has increased, the interest has decreased.

The main actors involved in the chain of control are the Ministry of Economy, NGO's, the Chamber of Economy or the Craft Chamber and similar chambers. NGO's like Potrošač play an important role in the chain of information as they are a key observer of consumer rights being adhered to on the market. Since they specialize in this field their competence and value to the monitoring system is very high, according to the interviewee. Those institutions play a vital role in terms of giving feedback and thereby creating a mutual learning atmosphere in Croatia. However, Potrošač claims that their involvement into the controlling / monitoring chain is by far improvable. They state that their lack of financial resources shapes up to be a severe problem with respect to taking active part in the monitoring process.

Based on these answers it is clearly to state that assumption 2 can be confirmed. There is a visible positive impact of experience with the implementation of EU CPP Law on the national controlling / monitoring system.

Hence, assumption 2 can be supported.

### ***Assumption 3***

The third assumption concerned the relation between an effective controlling / monitoring system and producers' compliance.

During the interview the interviewee emphasized that the contact between producers and the Chamber of Economy is very active and regular. There are only minor conflicts between individual Croatian laws with respect to e.g. declaration of food in the retailing sector that could cause producers to suffer from legal uncertainty. All in all the companies know what is required under effective law. Producers and the Chamber of Economy are exchanging information on potential legal flaws which make carrying out business difficult. On the other side the Chamber monitors producers' actions. Hence, there is a strong degree of cooperation according to the interviewee.

According to the Chamber, producers in Croatia are very eager to comply with EU CPP Law. The reasons are said to be the following:

Reputation is absolutely a key aspect to companies on the Croatian market. The competition on the Croatian retailers market is extremely high. For instance, in the retailing sector there is Konzum, Billa, Spar, Lidl & Kaufland (both Schwarz-Gruppe) so companies are very aware of and invest in their reputation among consumers. On the one side this is very important to companies operating in Croatia, on the other side Croatian companies want to gain credit on the European internal market which requires a good reputation abroad. Being detected as a violator by the monitoring system may jeopardize these attempts.

Mrs Bačelić (HGK) in this context emphasizes that consumers play a very important role in the process of monitoring. It was vital that consumers are informed and aware of their rights. She doubts that knowledge about consumer rights is widely spread. It is relatively easy for Croatian consumers to claim their rights in the field of consumer protection. Croatia has the Court of Commercial or the Mediation Centre, where disputes between companies or between consumers and companies can be settled. It is free of charge to consumers so they face no costs by invoking their rights and the process is alleged to be usually very quick.

Based on the answers in the respect of the controlling / monitoring system and its effect on producers' compliance, it is possible to state that assumption 3 can be supported. An effective national controlling / monitoring system does have a positive effect on producers' compliance.

## **6.2. Impact of EU CPP on consumers (Survey)**

### ***6.2.1 Descriptive statistics***

The interest of Croatian consumers in the European Union and its influence on consumer protection legislation can be observed in Table 3 below. The general interest measured by a Lickert Scale is to be located between 3 and 4 (of 5). Here it is visible, that Croatian consumers who participated consider their personal interest in the EU' fields of action (3.64), thus their interest in general EU matters, to be higher on average than their interest in consumer protection policy in particular (3.42). At the same time their demand for increased provided information about EU CPP is relatively high and forms the highest value on scale within the construct of consumer interest in terms of mean. It is to say, however, that the general level of consumer interest could be called relatively close to indifference (3.59) among the participants.

| <i>Table 3</i> <b>Consumer interest, N = 73</b>                                     | <b>Mean</b> | <b>(St. Dev)</b> |
|---|-------------|------------------|
| I10 My personal interest in the EU's fields of actions is very high.                | 3.64        | 1.03             |
| I1 I would consider myself interested in information regarding consumer protection. | 3.42        | 1.05             |
| I9 I would probably welcome more information on consumer protection by the EU.      | 3.71        | 1.09             |
| <b>Consumer interest (Cronbach's alpha = 0,727)</b>                                 | 3.59        | 0.85             |

Interestingly, the degree of consumers' knowledge about their consumer rights derived from EU CPP is significantly lower than their interest, with an average of 2.739. Particularly the low degree of awareness with respect to the European Union's competence in the field of consumer protection strikes the eye (2.48). At the same time the knowledge about particular EU requirements to companies is not to be considered significantly higher (2.59). Even though the knowledge of their rights as consumers is still relatively low, it is interesting to see the difference between the Croatian (thus national) and European dimension of the questions and the corresponding answers. The knowledge of national requirements seems to be slightly higher on average. All together it is, however, evident, that knowledge on EU CPP is low in Croatia. Here the statement made by the Croatian Chamber of Economy appears to be confirmed empirically (see 6.1).

| <i>Table 4</i> <b>Knowledge of EU rights, N=73</b>  | <b>Mean</b> | <b>(St. Dev)</b> |
|---|-------------|------------------|
| I8 Official EU sources (e.g. webpages, advertisements) are likely to influence my knowledge of consumer protection. | 2.84        | 1.12             |
| I11 In my social environment knowledge about the EU is widely spread.   | 2.95        | 1.12             |
| I12 My knowledge of EU competence in consumer protection is very high.  | 2.48        | 0.93             |
| I13 My knowledge of EU requirements on consumer protection is very high.  | 2.59        | 0.97             |
| I14 My knowledge of my rights as a consumer in Croatia is very high.  | 2.85        | 0.88             |
| <b>Knowledge of EU rights (Cronbach's alpha = 0.742)</b>  | 2.739       | 0.697            |

The results with respect to the sources of information on EU CPP show partly interesting differences in attitudes towards particular methods. Once more, the average attitude seems to be that consumers seem indifferent with respect to the source of information (3.18). Nevertheless, it is eye-striking that the internet seems to be considered the most important source among the questioned consumers (3.93), while official institutions/government websites are rather seen as comparatively unimportant (2.55) for the acquisition of information, even though those could be seen as internet-based source. Generally, the interest in the nature of the source of information appears to be mediocre.

| <i>Table 5</i> <b>Sources of information, N=73</b>   | <b>Mean</b> | <b>(St. Dev)</b> |
|--|-------------|------------------|
| I2 I pay attention to the source of information on consumer protection.                          | 3.22        | 1.08             |
| I3 For information on consumer protection I use social contacts / social media.                  | 3.01        | 1.02             |
| I4 For information on consumer protection I turn to official institutions / government websites. | 2.55        | 1.08             |
| I5 Information provided by official / government sources are most credible.                      | 3.19        | 1.05             |
| I6 The internet is an important source of information on consumer protection.                    | 3.93        | 0.90             |
| <b>Sources of information (Cronbach's alpha =0,624)</b>  | 3.180       | 0.652            |

The assessment of perceived security shows, on average, that Croatian consumers would rather call the EU a credible institution, but could still be called quite indifferent with respect to their judgement. Generally, the felt strengthening of the own position as a consumer is not



perceived to be very prevalent (3.03). The level of perceived security as a consumer is with 3.192 on average once more close to indifference.

| <i>Table 6</i> Perceived security, N=73                              | Mean  | (St. Dev) |
|--|-------|-----------|
| I7 The EU is generally a credible institution.                       | 3.36  | 0.98      |
| I15 Since EU accession I feel strengthened as a consumer in Croatia. | 3.03  | 1.19      |
| <b>Perceived security (Cronbach's alpha =0,619)</b>                  | 3.192 | 0.927     |

### 6.2.2 Hypotheses testing

From the results it is visible that Consumer Knowledge of EU Rights correlates with Consumer Interest (0.48), Sources of Information (0.58) and Perceived Security (0.52). The relation between Consumer Knowledge and Sources of Information is here particularly prevalent. Hence, it appears that general interest in consumer protection indeed influences the degree of knowledge and the sources play a role as well. At the same time, the degree of knowledge seems to influence the degree of perceived security of consumers in Croatia.

| <i>Table 7</i>         | Consumer Interest | Knowledge of EU Rights | Sources of Information | Perceived Security |
|------------------------|-------------------|------------------------|------------------------|--------------------|
| Consumer Interest      | 1.00              | 0.48                   | 0.58                   | 0.39               |
| Knowledge of EU Rights | 0.48              | 1.00                   | 0.54                   | 0.52               |
| Sources of Information | 0.58              | 0.54                   | 1.00                   | 0.36               |
| Perceived Security     | 0.39              | 0.52                   | 0.36                   | 1.00               |

Based on the visible correlations in Table 7 it is of interest to test the relationship by regression. When testing the relationship between Consumer Interest and Knowledge of EU Rights, the following regression is created:

| <i>Table 8</i> Regression Results: the relationship between Consumer Interest (independent) and Knowledge of EU Rights (dependent) |                         |       |         |
|--|-------------------------|-------|---------|
|  | Regression Coefficients | t     | p-level |
| Intercept  | 1.312                   | 4.181 | 0.000   |
| Consumer Interest  | 0.387                   | 4.672 | 0.000   |

$$\text{Knowledge of EU Rights} = 1.312 + 0.387 \text{ Consumer Interest}$$

The p-levels of both intercept (0.000) and consumer interest (0.000), indicate that the relation can be seen to be significant. Hence, Consumer Interest has a positive effect on the degree of Knowledge of EU Rights by consumers. More interested consumers tend to know more. Based on this outcome it is possible to confirm H<sub>1</sub>. Consumer Interest is indeed positively related to Knowledge of EU Rights. Therefore, H<sub>1</sub> is supported.

Testing the relationship between the Source of Information and Knowledge of EU Rights provides the following result:

| <b>Table 9 Regression Results: the relationship between Source of Information (independent) and Knowledge of EU Rights (dependent)</b> |                                |          |                |
|--|--------------------------------|----------|----------------|
|  | <b>Regression Coefficients</b> | <b>t</b> | <b>p-level</b> |
| Intercept  | 0.906                          | 2.616    | 0.011          |
| Source of Information  | 0.577                          | 5.408    | 0.000          |

$$\text{Knowledge of EU Rights} = 0.906 + 0.577 \text{ Source of Information}$$

Again, the p-levels of the Intercept (0.011) and Source of Information (0.000) indicate significance. Therefore it can be stated that Source of Information has a positive effect on Knowledge of EU Rights. That means that the more sources consumers tend to access, the higher is their knowledge about EU CPP. From this follows that also H<sub>2</sub> is to be confirmed. Source of Information is indeed positively related to Knowledge of EU Rights. Therefore, H<sub>2</sub> is supported.

Eventually, the relationship between Knowledge of EU Rights and consumers' Perceived Security was tested. The resulting regression values can be obtained from the table below.

| <b>Table 10 Regression Results: the relationship between Knowledge of EU Rights (independent) and Perceived Security (dependent)</b> |                                |          |                |
|--|--------------------------------|----------|----------------|
|  | <b>Regression Coefficients</b> | <b>t</b> | <b>p-level</b> |
| Intercept  | 1.306                          | 3.422    | 0.001          |
| Knowledge of EU Rights   | 0.688                          | 5.095    | 0.000          |

$$\text{Perceived Security} = 1.306 + 0.688 \text{ Knowledge of EU Rights}$$

This regression's coefficients are significant based on their p-level for the Intercept (0.001) and Knowledge of EU Rights as independent variable (0.000). Based on this it is to say that there is a visible, positive influence of consumers' Knowledge of EU Rights on their own assessment of their perceived security. This means that consumers who know more about

their rights as EU citizens in terms of consumer protection tend to feel more secure with respect to the protection system. Hence, also H<sub>3</sub> can be affirmed. Knowledge of EU Rights has a positive effect on Perceived Security. Therefore, H<sub>3</sub> is supported.

The following results are the outcome of the ANOVA analysis of the relation between Gender and Consumer Interest, Source of Information, Knowledge of EU Rights and Perceived Security. It aimed to find out whether male and female Croatian consumers show differences in their degrees of aforementioned aspects.

The first ANOVA concerned the the relation between Gender and the four mentioned variables. During the process of analysis the genders were coded as follows: Male = 1 and Female = 2. The outcomes of the empirical data analysis can be obtained from Table 11 below.

| <i>Table 11</i>               | Males         | Females       | P-value  |
|-------------------------------|---------------|---------------|----------|
| <b>Consumer Interest</b>      | 3.911 (0.637) | 3.372 (0.915) | 0.006814 |
| <b>Source of Information</b>  | 3.227 (0.570) | 3.149 (0.709) | 0.619460 |
| <b>Knowledge of EU Rights</b> | 2.980 (0.740) | 2.572 (0.620) | 0.012784 |
| <b>Perceived Security</b>     | 3.417 (0.842) | 3.035 (0.960) | 0.083227 |

The mean values of male and female Consumer Interest differ. The p-value (0.006814) indicates that it is possible to speak of a significantly higher degree of interest of male Croatian consumers in comparison to female Croatian consumers. Man on average are more interested in EU CPP than females.

Such difference can also be seen in the degree of Knowledge of EU Rights. Here as well male Croatian consumers turn out to know more on average than female Croatian consumers. Significance is again indicated by the low p-value of 0.012784.

In terms of Perceived Security the difference between the genders is marginally significant with a p-value of 0.083227. Hence, there is a slightly higher degree of perceived security on the male side of the sample in comparison to the female side. Males feel slightly securer than females.

In comparison to the aforementioned three variables of Consumer Interest, Knowledge of EU Rights and Perceived Security, the variable Source of Information shows no significant difference between the two genders with a p-value of 0.619460. This means, that males and females show no obvious difference in terms of obtaining information from sources.

Based on these observations  $H_4$  is in its majority to be confirmed. Gender seems to have a significant influence on Consumer Interest, Knowledge of EU Rights and marginally on Perceived Security, while Source of Information is not significantly affected by gender. Males tend to be more interested, have more knowledge and feel marginally more secure than females. Both genders show the same behaviour with respect to choosing their sources. Hence,  $H_{4A}$ ,  $H_{4B}$  and  $H_{4C}$  are confirmed entirely, while  $H_{4D}$  is marginally confirmed.

The second ANOVA concerned the relation between Age and the four mentioned variables. During the process of analysis the age was coded as follows: Lower Ages (18-35 years) = 1 and Higher Ages (>35 years) = 2. The outcomes of the empirical data analysis can be obtained from Table 12 below.

| <i>Table 12</i>               | Low Age       | High Age      | P-value  |
|-------------------------------|---------------|---------------|----------|
| <b>Consumer Interest</b>      | 3.596 (0.900) | 3.592 (0.818) | 0.983050 |
| <b>Source of Information</b>  | 3.103 (0.678) | 3.245 (0.632) | 0.358464 |
| <b>Knowledge of EU Rights</b> | 2.691 (0.859) | 2.780 (0.536) | 0.590068 |
| <b>Perceived Security</b>     | 3.061 (1.037) | 3.300 (0.823) | 0.274939 |

In terms of Consumer Interest there is no difference visible based on low and higher age. The degree of interest in terms of the mean of both groups is almost exactly the same (3.596 / 3.592) and the very high p-value (0.98) is far from showing significance. Hence it is to say that age plays no role determining Croatian consumers' degree of interest in EU CPP. There is no difference between young and older consumers in Croatia in this respect.

The same lack of visible difference between lower and higher age can be obtained from results with respect to Source of Information. Again the means values are very close to each (3.103 / 3.245) other and significance is not given based on the high p-value (0.36). That means, that it cannot be stated that age plays a role for Croatian consumers when they decide about their sources of information.

With respect to Knowledge of EU Rights the picture looks quite the same. The p-value (0.590068) shows insignificance of the factor of age when it comes to the degree of currently obtained knowledge. Hence, both age groups show similar Knowledge of EU Rights in terms of mean (2.691 / 2.780).

The largest difference between low and high age participants can be seen for the variable of Perceived Security. High age participants on average (3.300) show slightly higher felt security than low age participants (3.061). However, also Perceived Security does not show a

significant difference (p-value: 0.274939). Therefore it is to state, that age also has no significant effect on Croatian consumers perceived security.

Hence, it is necessary to reject  $H_{5A}$ ,  $H_{5B}$ ,  $H_{5C}$  and  $H_{5D}$ . Age does by no means have a significant effect on Consumer Interest, Knowledge of EU Rights, Source of Information or Perceived Security.

The third ANOVA deals with the relation between level of income per household and the four mentioned variables. During the process of analysis the income was coded as follows: Low Income ( $\leq 10,000$  HRK) = 1 and High Income ( $>10,000$ ) = 2. The outcomes of the empirical data analysis can be obtained from Table 13 below.

| <i>Table 13</i>               | Low Income    | High Income   | P-value  |
|-------------------------------|---------------|---------------|----------|
| <b>Consumer Interest</b>      | 3.556 (0.906) | 3.637 (0.793) | 0.685137 |
| <b>Source of Information</b>  | 3.215 (0.636) | 3.141 (0.678) | 0.631197 |
| <b>Knowledge of EU Rights</b> | 2.728 (0.786) | 2.753 (0.589) | 0.880940 |
| <b>Perceived Security</b>     | 3.141 (1.000) | 3.250 (0.846) | 0.619584 |

The height of household income does not play a significant role with respect to Consumer Interest. The means of low (3.556) and high income (3.637) households are very close to each other and the p-value (0.685137) indicates absolutely no significance. Therefore it can be concluded that the level of income per household does not have any effect on the degree of interest of Croatian consumers.

Similar results can be obtained for Source of Information. Low and high income groups' means (3.215 / 3.141) are close and the absence of significance is confirmed by the p-value of 0.631197. Both low and high income households in Croatia tend to share the same attitude towards the acquisition of information.

When it comes to the degree of Knowledge on EU Rights the similarities between the income groups are even more obvious. Low income households show a mean of 2.728 contrasted by a high income mean of 2.753. The p-value is 0.880940 which shows the absence of any significant influence of income on the degree of knowledge.

The very same absence of significant difference is visible for Perceived Security. Both low and high income households show very similar assessments of perceived own security as consumers with close means (3.141 / 3.250) and a p-value of 0.619584. Hence, the level of income does not show a significant effect on Croatian consumers' perception of their safety as consumers.

Based on this outcome  $H_{6A}$ ,  $H_{6B}$ ,  $H_{6C}$  and  $H_{6D}$  must be rejected. Income does not have any visible, significant influence on Consumer Interest, Knowledge of EU Rights, Source of Information or Perceived Security.

## **7) Discussion and Conclusions**

### **7.1 Discussion of the results**

The thesis examined the following research questions: This thesis focuses on the following research questions: (1) How successful is the transposition of EU law into Croatian law? (2) What variables may contribute to companies' compliance? (3) What potential flaws within the chain of implementation can be detected in Croatia? (4) What is the impact of EU consumer protection policy on consumer attitudes towards consumer interest, source of information, knowledge of EU rights and consumer welfare / security?

The interviews with the Croatian Chamber of Economy and the consumer protection association „Potrošač have pointed out common perceptions but also differences in the assessment of the effectiveness of the Croatian system of EU CPP Law implementation.

It seems safe to state that the formal transposition is working well in Croatia and has already before formal accession been common practise within the country due to the desire to comply with the *acquis communautaire*, the future ticket to full EU membership.

The aspect of transposition therefore seems to be properly approached and complied with by the Croatian authorities. EU CPP Law is being transposed into national law in accordance with EU requirements.

The interviews gave insight into the motivation for companies to pay particular attention to their reputation among Croatian consumers, but also among consumers from other Member States. The interview with the Chamber of Economy brought to the surface that a high degree of competition on the Croatian market creates an economic environment for companies, within which reputation is a decisive factor with respect to increasing or decreasing success among consumers.

Hence, one significant factor for the compliance of companies can be seen in the consumers themselves. Compliance with EU CPP becomes a matter of reputation building vital to business interests in Croatia. On the other side it turned out during the interview with the

Chamber of Economy, that the prospect of entering foreign markets provides an incentive for Croatian companies to enhance their reputation as fully law-obedient European company.

Another incentive for companies to comply can be seen in the strong interaction between themselves and monitoring actors, like the Chamber of Economy and the Ministry of Economy. These strong ties and regular exchange of information make a detection of violation of EU CPP relatively likely. In combination with consumers' possibility to challenge companies in front of, for instance, the Commercial Court, companies have to fear detection from both, the consumers' and the controlling agencies'.

From the interview with the Consumer Protection Association "Potrošač" it is possible to derive the problem of underfinancing. Both interviewees, thus also the Chamber of Economy, have acknowledged the mutual importance within the chain of implementation of EU CPP Law. Ivona Bačelić called the engagement of NGO's an important factor in the monitoring process of consumer protection. Ilija Rkman pointed out, however, that the NGO he represents lacks financial resources to take proper part in the monitoring process.

This research has shown that consumers in Croatia do not (yet) show any significant degree of both interest into EU CPP and their rights as consumers derived from them, as well as particular knowledge with respect to EU CPP. While the interview with the Croatian Chamber of Economy led to the result that overall interest and knowledge of Croatian consumers is low on average, this view was confirmed by the consumer survey carried out. Consumers' with a higher degree of knowledge tend to show a positive perception of individually felt security. Hence, it can be said that EU CPP positively affects consumers' feeling of security / welfare once the same consumers obtain the knowledge required about EU CPP. This again has turned out to be dependent on consumers' interest in EU CPP and EU policies in general, as well as the own preference with respect to obtaining this information.

The process of implementing EU CPP Law has started in 2003 in Croatia. Since, the country has had the opportunity to gain experience in EU CPP Law implementation long before accession already. Hence, the allegedly high degree of compliance and fit between EU requirements and the national system of implementation seems to be a consequence of previous experience.

It is interesting to see that both the Chamber of Economy and a consumer protection association recognize the cruciality of each other within the controlling / monitoring chain.

However, the assessment of practicality differs among them, as Potrošač claims to lack the resources in reality to take proper part in the process. Nevertheless, based on the interviews the degree of cooperation appears to be very high and the process of enforcement could be explained in detail by the interviewees.

As has been expected beforehand, the role of consumers is essential within this process. Both interviewees acknowledged this fact and gave high value to consumer knowledge.

The confirmation of H<sub>1</sub> shows that Croatian consumers who have a higher degree of interest in EU CPP apparently also have a higher degree of knowledge about their own rights as EU citizens and consumers. This outcome can be considered be well in line with Hyman & Sheatsley (1947) and their theory on the impact of very personal interest on knowledge. This research has shown that this is also valid in the case of Croatia and its consumers' behaviour towards EU legislation.

It may seem plausible that a Croatian consumer who is interested in the European Union and its actions' impact on his/her own life tends to rather take action to acquire information that gives him/her the opportunity to be aware of his/her rights the EU inflicted on him/her. On the contrary, disinterest in the European Union and fields of policy that are affected by its institutions can be considered to lead to a lower degree of incentive to spend time on receiving information about the respective policy and its effects. Thus, it is possible to explain the confirmation of H<sub>1</sub> properly with Hyman & Sheatsley's (1947) and Hidi's (1990) theory on the relation between interest and knowledge, as well as incentives to spend time and the own perception of the height of opportunity costs to spending time receiving information. As also mentioned during the interviews, it is the case that both interest and knowledge are relatively low in Croatia.

The confirmation of H<sub>2</sub> shows that in the case of Croatian consumers Kornelis, De Jonge, Frewer & Dagevos (2007) and their theory on different types of obtaining information can be supported in this case. The consumers in Croatia seem to be separated into different groups with respect to their behaviour of acquiring information. The particular type of consumer with respect to this behaviour hereby seems to determine the actual degree of knowledge in the end.

Logically thought, it is indeed likely that consumers who are living in a social environment that is relatively active with respect to being informed about EU CPP obtain information by



being part of this environment. Furthermore can the source of information be crucial for the credibility of the same. A consumer who tends to take the effort to browse for official information on government websites or official EU sources may end up provided with more reliable information than a consumer, who does not take this effort and rather asks other consumers. Here one could see the risk, that important details are being neglected or simply not known but the alleged source of information. Hence, it is explainable that there is a difference based on the Source of Information.

The confirmation of H<sub>3</sub> can be referred to theory that knowledge is an essential corner stone in the inclusion of consumers into the chain of implementation of EU CPP in Croatia. Just as it has been mentioned during the interview with Ivona Bacelic at the Croatian Chamber of Economy, it is shown that a higher degree of knowledge is indeed likely to positively affect consumers' perception of their own position within the country.

It seems to have a logical background. A consumer who is informed about his rights derived from EU CPP is aware of his/her leverage against potential violation detected by him/her. Being informed about the potential possibility to rely on particular legal aspects, the degree of perceived security should be expected to rise. On the contrary, the absence of knowledge has before been seen as a key reason for insecurity and even fear about one's own stand. Consumers who lack knowledge may be influenced by negative talk and eventually show a completely deflected belief with respect to how EU CPP affects them.

The data analysis has shown that H<sub>4</sub> can be mostly confirmed, hence it is visible that gender has an influence on consumers in terms of their own interest, their degree of knowledge and marginally their perceived security, while the sources of their information turn out to be equally approached by both genders.

Here it is very interesting to observe that it would originally thought be expected, that women seem to be more eager to engage in consumption, in shopping for instance. Therefore one may assume that women would have a higher degree of both interest and knowledge about their rights as consumers, given that they tend to consume more. However, this research has shown that in Croatia the reality is exactly vice versa. Men show a significantly higher interest and knowledge than women do. How is this to explain?

A potential approach to an explanation is the nature of EU CPP and the fields it concerns. Particularly Directive 2011/83/EU entails measures to be taken by the Croatian government to

ensure consumer protection standard also in online and distance sales contracts. Hence, the unexpected gender-biased interest and knowledge on EU CPP in Croatia could be related to the difference between male and female when it comes to online activity and online purchases. Presumably, men are more active on the internet and tend to conduct business online and on distance more often than women in Croatia. This is an assumption further research on Croatian consumers could, for instance, focus on in future.

The results have shown that  $H_5$  it so be rejected in its entirety. Hence, age plays no significant role in any of the four variables. Perhaps it is possible to explain this in two different ways. First of all, the overall sample has shown that the general level of interest and knowledge is relatively low in Croatia. One can try to explain this with the fact that there does not seem to be a general concern about the own situation as a consumer by both, low and high aged consumers. Initially, one could have assumed that particularly younger consumers have a higher attachment to the European Union and its implications on the one side, and better and more frequent access to media which could be seen as leading with respect to spreading relevant information (e.g. internet). Potentially, the critical economic situation of the recent years have made the field of consumer protection less relevant to Croatian citizens in general, since they worry about matters, which in their eyes are more crucial to their future.

However, the potential explanation using the insecurity in terms of economic (or financial) outlook is countered by the rejection of  $H_6$ . Here is shown, that the level of income plays no significant role for Croatian consumers with respect to their interest, knowledge, source of information and perceived security. Hence, calling economic financial worries a reason for a generally low degree of concern about EU CPP does not seem to hold.

The true reason for Croatian consumers' lack of concern may be an interesting topic for future research. The detection of sources of the lack of concern may provide a potential starting point for national, but also European policy makers to stimulate an increase in concern. Only when the precise reasons are investigated and identified it is possible to draft according counter strategies. This is necessary, because this research has pointed out that consumer knowledge depends significantly on concern within Croatia. Knowledge is crucial to provide a fostered incentive for companies to comply with EU CPP Law.

## **7.2 Policy making implications**

Based on the results of the interviews with the Croatian Chamber of Economy and the consumer protection association “Potrošač”, it has become clear that policy makers are eager to ensure effective implementation of EU CPP in Croatia. Both interviews made obvious, however, that the consumer plays an allegedly important role in the controlling chain within the country.

The low degree of knowledge among Croatian consumers that has been empirically confirmed by this study has explicitly been mentioned as a key challenge to Croatian authorities by the interviewed officials.

It is therefore considerable to think of political measures to steer consumers into a direction of increased interest and knowledge about EU CPP. While the Croatian Chamber of Economy mentioned foregone common campaigns of the Croatian Ministry of Economy and the European Commission, the lack of impact it had on consumers remains a problem to effective campaigning.

It is therefore in the interest of policy makers to analyse potentially most effective information channels (e.g. internet; webpages) that can be made use of to convey relevant and desirable information to consumers.

This research has also found out, that the internet is considered a key source of information by Croatian consumers. Therefore it may be worth thinking about an analysis of consumers’ online behaviour. If particular patterns are identified, it may be possible to target information campaigns more efficiently.

The interviews have shown that there is a structured system of monitoring / controlling in Croatia. However, one actor that is considered important for its effectivity has remarked that shortages in financing make elaborated research and active monitoring relatively difficult.

Therefore it is in the interest of policy makers who want to ensure the effectivity of the system, that all crucial actors have actual access to taking part in the system. Since NGO’s like Potrošač are not being financed by the government, it is therefore of interest to make sure that their role, in such case, is still being fulfilled by another actor, for example by consumers themselves. The institutions to enhance the individual consumer’s importance seem to exist based on the results of this research.

### **7.3 Limitation of study**

Even though this thesis took two relevant dimensions of EU CPP implementation into account and elaborated on both of them in order to eventually integrate them, there are particular limitations to this research which need to be pointed out and taken into account.

First, it is important to keep in mind that the sample used was relatively small. A much larger sample size would have come up with different outcomes within particular sections of the empirical analysis. Due to the circumstances of the conduct of the corresponding survey, an increased amount of resources might have led to a larger sample within the given time frame. However, it is at the same time worth noticing that the sample already entails consumers from all parts of Croatia of all ages, with different local and educational backgrounds. Therefore it is assumable that an increase in the sample size will not lead to significantly different results.

Second, due to time limits only two interviews were conducted. A larger amount of interviews with officials of other relevant institutions could have delivered important additional information that could have backed up or questioned the current outcome.

Third, this thesis has been produced at a particular point in time, within the period of recovery from a financial and economic crisis within Croatia. The aftermath of the same might have had a biasing impact on both respondents to the survey and economic actors within the country.

Fourth, the research performs a snapshot of a particular period of time. Hence, it is not obvious that the current results will still hold in future. Changing circumstances may alter the attitude of consumers or state authorities.

### **7.4 Future research directions**

As has turned out during this research, the overall interest of Croatian consumers in their rights as EU citizens and as consumers on the European internal market is shaped by a high degree of indifference. People in Croatia do not seem to care whether their consumer rights are being properly enforced and protected. At the same time they show a very low degree of knowledge of their rights and about EU CPP in general.

Based on this it would be of future interest to find out why the general degree of interest and knowledge is so low in Croatia. Does it merely have to do with people's lack of attachment to

European integration? Is it a result of financial shortages which make any concern about consumer protection standards less important due to the pure necessity to stick to the lowest prices? Or is it rather a result of the perceived absence of EU CPP in citizens' everyday life? Future research could provide a proper explanation on these questions and based on potential answers elaborate a possible way to increase Croatians' interest and knowledge with respect to EU CPP.

Another proposed direction could be the investigation of the role of gender in the context of EU CPP in Croatia. As this thesis has shown, there is a significant gender bias in terms of consumers' interest and knowledge of EU rights. It would be of interest to find out, why males tend to be more interested and know more than females on average. Does it have to do with the affected fields of consumer protection, e.g. internet trade? Or do men on average consume a different type of media, for instance, which is more likely to provide information on EU CPP? Do Croatian men spend more time on the internet than Croatian women? And if so, is there a correlation between internet consumption and knowledge of EU CPP? This could be a base for future research.

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## **Appendix 1: Survey**

### **Consumer Interest**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1) My personal interest in the EU's fields of actions is very high.                 | 1 | 2 | 3 | 4 | 5 |
| 2) I would consider myself interested in information regarding consumer protection. | 1 | 2 | 3 | 4 | 5 |
| 3) I would be interested in more information on consumer protection by the EU.      | 1 | 2 | 3 | 4 | 5 |

*Source: Hyman & Sheatsley (1947)*

### **2. Knowledge of EU Rights**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 4) Official EU sources (e.g. webpages, advertisements) are likely to influence my knowledge of consumer protection. | 1 | 2 | 3 | 4 | 5 |
| 5) In my social environment knowledge about the EU is widely spread.  | 1 | 2 | 3 | 4 | 5 |
| 6) My knowledge of EU competence in consumer protection is very high.   | 1 | 2 | 3 | 4 | 5 |
| 7) My knowledge of EU requirements on consumer protection is very high.   | 1 | 2 | 3 | 4 | 5 |
| 8) My knowledge of my rights as a consumer in Croatia is very high.   | 1 | 2 | 3 | 4 | 5 |

*Source: Hyman & Sheatsley (1947)*

### **3. Source of Information**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 9) I pay attention to the source of information on consumer protection.                           | 1 | 2 | 3 | 4 | 5 |
| 10) For information on consumer protection I use social contacts / social media.                  | 1 | 2 | 3 | 4 | 5 |
| 11) For information on consumer protection I turn to official institutions / government websites. | 1 | 2 | 3 | 4 | 5 |
| 12) Information provided by official / government sources are most credible.                      | 1 | 2 | 3 | 4 | 5 |
| 13) The internet is an important source of information on consumer protection.                    | 1 | 2 | 3 | 4 | 5 |

*Source: (4-7) Kornelis, De Jonge, Frewer & Dagevos (2007), (8) Chadwick & May (2003)*

#### 4. Perceived Security

|  |   |   |   |   |   |
|--|---|---|---|---|---|
| 14) The EU is generally a credible institution.                      | 1 | 2 | 3 | 4 | 5 |
| 15) Since EU accession I feel strengthened as a consumer in Croatia. | 1 | 2 | 3 | 4 | 5 |
| 16) I think that Croatian companies are sincere.                     | 1 | 2 | 3 | 4 | 5 |

*Source: Author*

#### 5. Preferences towards domestic products

|  |   |   |   |   |   |
|--|---|---|---|---|---|
| 17) The likely quality of a Croatian product is very high.   | 1 | 2 | 3 | 4 | 5 |
| 18) The likeliness that I buy rather the product of a Croatian company than foreign company is very high | 1 | 2 | 3 | 4 | 5 |
| 19) Croatian companies give me a higher feeling of trust than foreign companies.                         | 1 | 2 | 3 | 4 | 5 |

*Source: Elliott & Cameron (1994)*

#### 6. Producers' Reputation

|  |   |   |   |   |   |
|--|---|---|---|---|---|
| 20) The likeliness that good reputation of a company encourages me to buy the product is high.   | 1 | 2 | 3 | 4 | 5 |
| 21) The likeliness that bad reputation of a company prevents me from buying the product is high. | 1 | 2 | 3 | 4 | 5 |

*Source: Bailey (2004)*

#### 7. Word of Mouth / Willingness to share

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 22) I would share negative experiences with a company with friends / family / colleagues. | 1 | 2 | 3 | 4 | 5 |
| 23) A company that violates consumer rights should be publically blamed.                  | 1 | 2 | 3 | 4 | 5 |

*Source: Skeel (2001)*

## Personal Information

|                          |   |
|--------------------------|---|
| Age                      |   |
| Household Income (HRK*)  | <input type="checkbox"/> < 3.000 kn<br><input type="checkbox"/> 3.001 – 4.000 kn<br><input type="checkbox"/> 4.001-6.000 kn<br><input type="checkbox"/> 6.001-8.000 kn<br><input type="checkbox"/> 8.001-10.000 kn<br><input type="checkbox"/> 10.001-13.000 kn<br><input type="checkbox"/> 13.001-16.000 kn<br><input type="checkbox"/> 16.001 – 20.000 kn<br><input type="checkbox"/> > 20.000 kn |
| Education                | <input type="checkbox"/> Primary School / No School<br><input type="checkbox"/> Secondary School<br><input type="checkbox"/> University / Higher Education  |
| Household Size (members) |   |
| Home Town                |   |
| Fill-in date             |   |

\*HRK = Croatian Kuna (1 Euro  $\approx$  7,45 HRK).

## **Appendix 2: Interview with Croatian Chamber of Economy**

Date: 10.5.2016

Location: Rooseveltov Trg 2, 10000 Zagreb, Croatia

Interview Partner: Ivona Bacelic  
Secretary of Trade Association  
Trade Sector  
Chamber of Economy of the Republic of Croatia

**Did / does European Consumer Protection Policy create significant challenges (e.g. adaptation in business practises) to Croatian producers/sellers?**

**→ If yes, which ones?**

*„Croatia has begun to stick to European requirements on consumer protection in 2003 and since contineously adapted necessary laws to fully comply with them. Directive 2011/83/EU is at this point of time fully implemented. It has been done step by step but steady and at the moment the compliance rate is plus/minus total.“*

**Are there visible mismatches between the Croatian national institutional framework and European requirements in terms of consumer protection and its implementation?**

**→ If yes, which ones in particular? Would You see the processes of EU Consumer Law implementation as a learning process for Croatian institutions?**

*„There are no visible significant mismatches between European requirements and the Croatian national institutional framework visible. There is an elaborated chain of information flow within Croatia that ensures compliance and enforcement.“*

*„The process of implementation of European consumer law in Croatia has definitely gained efficiency and effectivity over the years. Experience definitely played a role in making the transposition and implementation more efficient. There is a learning effect visible with respect to implementation of European consumer law.“*

**Is there a monitoring / controlling chain with respect to companies' compliance with consumer protection law in Croatia?**

**→ If yes, who are the actors involved and what are their tasks?**

*„The main actors involved in the chain of control are the Ministry of Economy, NGO's like Potrošač for example, the Chamber of Economy or the Craft Chamber and similar.“*

*„Retailers are in constant contact with the Chamber of Economy exchanging information and informing the Chamber of potential legal flaws which make carrying out their business difficult. If there are conflicting laws the Chamber gets informed about this by the retailers and forwards the information to the Ministry of Economy. The Ministry accordingly can adapt the concerned laws in order to assure practicality.“*

*„NGO's like Potrošač play an important role in the chain of information as they are a key observer of consumer rights being adhered to on the market. Since they specialize in this field their competence and value to the monitoring system is very high.“*

**How would you assess the role of consumers in the monitoring system?**

*„Consumers play a very important role in the process. It is in my opinion vital that consumers are informed and aware of their rights. Unfortunately it is not really the case that knowledge about consumer rights is widely spread. The Ministry of Economy and the European Commission ran an information campaign on consumer rights in Croatia last year. The Internet plays an important role here.“*

**How would you describe the role of companies' reputation in Croatia? Does it play a role?**

*„Reputation is absolutely a key aspect to companies on the Croatian market. The competition on the Croatian retailers market is extremely high. For instance, there is Konzum, Billa, Spar, Lidl & Kaufland (both Schwarz-Gruppe) so companies are very aware of and invest in their reputation among consumers. On the one side this is very important to companies operating in Croatia, on the other side Croatian companies want to gain credit on the internal market which requires a good reputation abroad.*

**Is consumer loyalty to Croatian instead of foreign companies given in Croatia?**

*„This may indeed play a role in Croatia but companies will not rely on that but rather work on their reputation. Depending on the good foreign companies may have it easier among Croatian consumers than Croatian companies.“*

**What can I do as a consumer when I find my consumer rights being violated by a company?**

*„It is relatively easy for Croatian consumers to claim their rights in the field of consumer protection. For example we have the Court of Commercial or the Mediation Centre where disputes between companies or between consumers and companies can be settled. It is free of charge to consumers so they face no costs by invoking their rights and usually very quick. Of course it is helpful when consumers know about their rights which they can invoke but the level of knowledge is still relatively low unfortunately.*



## **Is there legal certainty for companies in Croatia?**

*„Generally I would say so. We only have minor conflicts between individual laws with respect to e.g. declaration of food in the retailing sector. All in all the companies know what is required under effective law.“*

## **Appendix 3: Interview with „Potrošač“**

Zagreb, 11<sup>th</sup> of May 2016.  
MSc Ilija Rkman  
Croatian Union's "Potrošač" President

***Has EU Accession in reality brought major changes to the relation between consumer and seller / companies?***

→ If so, which ones?

Croatian citizens and consumers expected the changes and benefits of the EU membership. I personally got task to promote the benefits over media of the Croatian membership of EU. But, we were waiting the real changes and implementation:

- of the „highest the standards and practices in everyday citizens life and in area consumer protection as well“
- the equal level of the consumers' rights protection in old EU members state

Based on the our EU education in (training) from 2010

[http://ec.europa.eu/competition/consultations/2011\\_collective\\_redress/testaankoop\\_en.pdf](http://ec.europa.eu/competition/consultations/2011_collective_redress/testaankoop_en.pdf)

we in April 2012 moved over Court the collective complaint (redress) against 8 banks (7 banks are daughters of Banks-mother from EU state members) for abuse currency clause Chf. It was the biggest collective complaint in EU.

Target group are 125.000 banks' clients (75.000 citizens have mortgage credits and 50.000 have other credits with currency clause Chf.

Our victory is partly (50% : 50%).

But we built the usefully model of big collective complaint (redress) based of the BEUC's publication "EUROPEAN GROUP ACTION – TEN GOLDEN RULES".

***Are consumers' complaints about violation of consumer rights (by e.g. companies) frequent in Croatia?***

→ ***If so, are there any prevalent issues?***

In Republic of the Croatia has four regional Consumer Advice Centres (Zagreb, Osijek, Pula, Split) financing partly from State Budget + partly from Budget of self-government.

I want to describe You the Consumer Advice Centre (CAC) Zagreb:

- Holder of CAC is Consumer Protection Society „Potrošač“

- CAC's work started in March 2001 until today (almost 15 years). CAC's organisation and methodology of work is similar CAC from Berlin (at the beginning we use the organization of CAC from Salzburg).
- In our CAC's we built the best practice during study visits our friends in UK, Germany, Austria, Sweden, Italy, Belgium into organization and methodology of work with consumers (daily inform, educate and advice)
- Is readable from our presentation (DG SANCO/ BEUC research)
- Public Consultation Questionnaire concerning the "Harmonised methodology for classifying and reporting consumer complaints and enquiries" - <http://www.savjetovaliste.potrosac.hr/index.php/potrosacki-savjetnik/korisni-savjeti/28-rasprava/11-public-consultation-questionnaire-concerning-the-harmonised-methodology-for-classifying-and-reporting-consumer-complaints-and-enquiries>
- Results of our CAC Zagreb (number of advice per several years):
 

|   |                |
|---|----------------|
| 2015.....   | 12.701 advices |
| 2014.....   | 10.765 advices |
| 2013.....   | 7.981 advices  |
| 2012.....   | 9.316 advice   |
| +   |                |
| Collective advice over web-portal <a href="http://www.potrosac.hr">www.potrosac.hr</a> and two Face book profiles |                |

**→ If so, are there any prevalent issues?**

Arise the awareness Croatian consumers of the their legal rights. So, we receive the consumer's complaints over phone, fax, 3 e-mail address and social media. The most frequent are complaints from the next areas:

1. material defects and guarantee on products
2. violation the consumers' rights in area Electronic services
3. violation the consumers' rights in area enforcement and blocked account
4. Unfair contracts between banks and consumers
5. violation the consumers' rights in area trade
6. violation the consumers' rights in area on-line trade
7. violation the consumers' rights in area products and services labeling
8. Unsafe food
9. Unsafe toys
10. violation the consumers' rights in area common public services (water, garbage, public traffic...)
11. violation the consumers' rights in area craft services
12. unfair commercial practice
13. double standards of quality between "old" and "new" EU
14. Energy efficiency
15. Health .....

***Would you call the controlling / monitoring system in Croatia with respect to consumer protection effective / efficient?***

My friends from which started 1998-2002 to build new Croatian consumer protection movement want to monitor the effectiveness and results of Croatian consumer protection system before 1<sup>st</sup> of July 2013 and today. Those goals we made several researches and

surveys. Some of these results we translate in English and sent in BEUC, DG SANCO, ANEC, and Consumer International. For example, <http://www.energetika.potrosac.hr/index.php/energija/10-beuc-presentation-on-complaint-handling-citizens-energy-forum>

But, real and complex research about problems and level of consumers' rights protection in Croatia we need money. We have experience, knowledge, rich database information and skills (we published our researches and yearly reports of results of Consumer Advice Centre Zagreb over our web-portal [www.potrosac.hr](http://www.potrosac.hr) and <http://www.savjetovaliste.potrosac.hr> ).

In meantime DG SANCO made researches 2013, 2014 and 2015. In form Flash Euro barometers:

[http://ec.europa.eu/public\\_opinion/flash/fl\\_389\\_sum\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_389_sum_en.pdf)  
[http://www.potrosac.hr/images/pdf/FL4003\\_CROATIA\\_II\\_Report\\_HR1\\_00000003.pdf](http://www.potrosac.hr/images/pdf/FL4003_CROATIA_II_Report_HR1_00000003.pdf)

→ *If yes, which actors are involved?*

1. National Consumer Protection Council
2. We have 4 represents in National Consumer Protection Council (NCPC) as Government's advice body in consumer protection area. We are not satisfied the model and effectiveness – very often we suggested to change model of NCPC. No answer on our proposals and suggestions
3. Consumer Protection Organizations (their researches and surveys)
4. National consumer protection stakeholders (ministries, regulatory national agencies, university, etc.)
5. Media

→ *If no, what would you consider the obstacles / problems?*

Obstacles:

- Low level of Co-operation between consumer protection organisations and other national consumer protection stakeholder and political will
- Financial support for researches and monitoring about consumer protection system effectiveness (for example: last year money for consumer protection, in level of 172.000 EUR was returned in State budget because of that “somebody” made “mistake”???)
- Yearly increase of number of consumers' complaints have to be handling

***If there are visible obstacles / problems – would you say that Croatia actively tries to work on them taking these negative experiences into account (learning effect)?***

Conclusion (maybe subjective and personal, but is based on the researches and Euro Barometers) says the next:

- It was easier and better in period 2000 to 2010 according the period 1<sup>st</sup> July 2013, when Croatia became EU member. Namely, until 2012 politicians usually said “Consumer protection is Government's 4<sup>th</sup> priority”.

Today (2011-today), consumer protection and consumers protection organizations become the last priority???

- After 2012 we have smaller financial support for realization activities of Consumer policy
- Low level of Co-operation between consumer protection organisations and other national consumer protection stakeholder and political will.....

Beside all problems and obstacles, citizens (consumers) say and send the message  
Consumer's protection organizations (NGOs) the most reliable sources of information (source: Flash Euro barometer 2014)

# Appendix 4: Survey Evaluation Sheet

| Participant | H1 | H2 | H3 | H4 | H5 | H6 | H7 | H8 | H9 | H10 | H11 | H12 | H13 | H14 | H15 | H16 | H17 | H18 | H19 | H20 | H21 | H22 | H23 | H24 | H25 | Age | Gender | Income | Education | Household Size | Residence District |   |   |   |   |
|-------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------|--------|-----------|----------------|--------------------|---|---|---|---|
| 1           | 5  | 3  | 3  | 4  | 5  | 5  | 2  | 4  | 3  | 4   | 3   | 3   | 3   | 3   | 4   | 2   | 2   | 4   | 2   | 5   | 5   | 5   | 4   | 5   | 5   | 2   | 1      | 9      | 3         | 3              | 1                  |   |   |   |   |
| 2           | 4  | 4  | 4  | 3  | 2  | 3  | 3  | 3  | 4  | 4   | 3   | 3   | 3   | 3   | 2   | 4   | 4   | 4   | 4   | 4   | 3   | 3   | 3   | 3   | 3   | 5   | 2      | 1      | 7         | 2              | 4                  | 2 |   |   |   |
| 3           | 4  | 4  | 4  | 3  | 2  | 4  | 4  | 3  | 4  | 4   | 3   | 3   | 3   | 3   | 4   | 4   | 4   | 4   | 4   | 4   | 3   | 3   | 3   | 3   | 3   | 2   | 2      | 1      | 5         | 3              | 1                  | 2 |   |   |   |
| 4           | 5  | 4  | 4  | 3  | 2  | 4  | 3  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 3   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 5           | 4  | 4  | 4  | 3  | 2  | 4  | 3  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 3   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 6           | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 3  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 7           | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 3  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 8           | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 3  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 9           | 4  | 4  | 4  | 3  | 2  | 4  | 3  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 2      | 2      | 2         | 4              | 4                  | 4 |   |   |   |
| 10          | 4  | 2  | 2  | 1  | 1  | 3  | 3  | 2  | 2  | 3   | 3   | 3   | 3   | 3   | 4   | 5   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 5   | 2      | 1      | 3         | 3              | 3                  | 3 |   |   |   |
| 11          | 3  | 2  | 3  | 2  | 2  | 2  | 2  | 2  | 2  | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 5   | 1      | 2      | 6         | 5              | 2                  | 2 |   |   |   |
| 12          | 3  | 4  | 3  | 3  | 5  | 2  | 1  | 1  | 1  | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 5   | 2      | 7      | 3         | 2              | 2                  | 2 |   |   |   |
| 13          | 3  | 4  | 3  | 4  | 3  | 3  | 4  | 3  | 4  | 4   | 3   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 4   | 5   | 2      | 4      | 3         | 2              | 4                  | 3 | 1 |   |   |
| 14          | 3  | 2  | 4  | 3  | 3  | 5  | 1  | 2  | 1  | 4   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 4   | 5   | 1      | 4      | 3         | 4              | 3                  | 2 | 2 |   |   |
| 15          | 3  | 2  | 4  | 3  | 3  | 5  | 1  | 2  | 1  | 4   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 5   | 5   | 1      | 5      | 5         | 4              | 3                  | 4 | 3 | 4 |   |
| 16          | 5  | 4  | 4  | 3  | 3  | 3  | 3  | 3  | 3  | 3   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 2   | 3   | 3   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 2 | 2 |
| 17          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 18          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 19          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 20          | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 21          | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 22          | 5  | 3  | 3  | 3  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 23          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 24          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 25          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 26          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 27          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 28          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 29          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 30          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 31          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 32          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 33          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 34          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 35          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 36          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 37          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 38          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 39          | 1  | 1  | 1  | 1  | 1  | 1  | 1  | 1  | 1  | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 1   | 4   | 1      | 1      | 8         | 5              | 5                  | 5 | 5 | 7 |   |
| 40          | 5  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 41          | 5  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 42          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |
| 43          | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4  | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4   | 4      | 4      | 4         | 4              | 4                  | 4 | 4 | 4 | 4 |

