
EUROGAS POSITION ON DIRECT SELLING TO HOUSEHOLD CUSTOMERS

Position statement developed by the Gas Suppliers Group

Consumer protection

The Gas Suppliers Group is conscious of the importance of consumer protection in the supply of gas.

Article 3 of the Gas Directive requires Member States to take appropriate measures to ensure high standards of consumer protection and, in particular, to ensure there are adequate safeguards to protect vulnerable customers. Annex A specifically requires Member States to take appropriate measures to ensure that household customers are clear before entering into a contract for the supply of gas about the identify of their supplier and the prices, tariffs, terms and conditions which apply to the contract, whether that contract is concluded directly by the supplier or via an intermediary. Also customers must be protected against unfair or misleading selling methods.

Direct selling/marketing

Within its work programme for 2004, the Gas Suppliers Group has considered the particular issue of consumer protection in the marketing of gas to customers in their own homes or via direct selling over the telephone, which has been an area of concern in some countries following full market opening.

Member States use various approaches to safeguarding customers' interests in this regard, with some relying on the general consumer law applicable in their country and others introducing additional measures or codes of practice in response to past problems with the marketing of energy or telephone services.

Member States typically have 'cooling off periods' in relation to such direct sales, and in the case of Great Britain, there are sector-specific rules concerning the activities of energy suppliers and their agents, aimed at encouraging high standards in the operation and management of sales staff and clarity in communications with the customer.

Proposed Eurogas position

The Gas Suppliers Group believes that Eurogas should have a position statement on this sensitive issue. However given the variety of national approaches, any statement can only deal with general principles.

To help ensure high standards of marketing and sales in gas, the Gas Suppliers Group therefore proposes the following statement of Eurogas's position in this area:

"Eurogas believes that gas should be sold responsibly, particularly where vulnerable customers are involved, and supports appropriate measures to ensure high standards of consumer protection.

Where gas is being sold in the customer's home or by telephone, suppliers and their agents must act in accordance with national laws related to direct selling to household customers.

Customers must have access to clear information about the services they are being offered, the prices and other contractual conditions (including cancellation arrangements). Customers should be able to understand with whom they are dealing, the nature of their possible commitment, and should be able to resolve any further queries.

If poor sales practices arise, gas suppliers should act promptly to deal with problems and restore consumer confidence and, if appropriate, introduce additional safeguards, in the interests of consumer protection and fair competition."

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