

Authority for  
Consumers & Markets



# The Netherlands Authority for Consumers and Markets

Opportunities & options for businesses and consumers

In April 2013, the Netherlands Consumer Authority, the Netherlands Competition Authority (NMa) and the Netherlands Independent Post and Telecommunications Authority (OPTA) joined forces, creating a new independent agency: the Netherlands Authority for Consumers and Markets (ACM). As a result, consumer protection and market oversight are now housed in a single authority. This consolidation has laid the foundation for effective and efficient oversight, leading to well-functioning markets for the purpose of maximizing consumer welfare.

## **Our mission**

The Netherlands Authority for Consumers and Markets creates opportunities and options for businesses and consumers: we create opportunities by fighting unfair competition, and by making it easier for new competitors to enter markets. Such opportunities stimulate innovation, new products, services and businesses. And we create options because having options is the key to having well-functioning markets. We want consumers to have a real choice. That is why we want businesses to be clear about what they offer. And consumers should be informed of what their rights are, and be able to act accordingly.

## **About us**

ACM takes action if businesses do not play by the rules, for example, because they have concluded price-fixing agreements. When firms wish to merge, we investigate what impact the proposed merger will have on competition. If it is expected to have a negative impact on competition, we attach conditions to that merger, or block it altogether.

In specific markets, we impose additional rules in order to stimulate competition. These markets are telecommunications, transport, postal services and energy. Regulation leads to better prices and more options and opportunities for consumers and businesses. Competition can also affect sustainability and innovation. ACM takes these aspects into account as well.

## ConsuWijzer

Consumers may contact the Netherlands Authority for Consumers and Markets for free information and advice. Consumers can report their problems (by phone, email or online) to our information desk ConsuWijzer. ConsuWijzer gives them advice on how to solve those problems. Based on that advice, consumers know what their rights are, and how they can exercise them. If it turns out that the company in question has violated the law, ACM can take action.



The interests of consumers are central to ACM's competition, regulatory and consumer protection efforts. Consumers benefit directly from ACM's oversight. In 2013, these benefits totaled an estimated EUR 1.85 billion. That is EUR 300 per household. The largest share (more than EUR 1.1 billion) came from ACM's regulation of the telecommunications and energy markets.

With its awareness campaign 'If you snooze, you lose,' ACM encourages consumers to actively look for the offer that best meets their current needs. The number of switchers in the Netherlands is on the rise. In 2013, 13.1 percent of all consumers switched energy companies, compared with 12.5 percent in 2012. Consumers can save up to EUR 400 per year by switching energy companies.

The website of our consumer information desk [www.consuwijzer.nl](http://www.consuwijzer.nl) attracts 2 million visitors every year. Through ConsuWijzer, approximately 72,000 consumers contact ACM with questions about their rights. Almost half of these consumers take action following the advice they received from ConsuWijzer. If consumers exercise their rights, this may positively affect the level of compliance with regulations among businesses.

## Our oversight philosophy

The Netherlands Authority for Consumers and Markets investigates consumer and market problems in order to try and tackle their root cause. We look at the broader context of a problem, and wish to bring about a structural and lasting effect when carrying out our statutory tasks. In that regard, it is crucial to look at the entire range of formal and informal instruments at ACM's disposal. Imposing sanctions continues to be an important instrument, and ACM will not hesitate to use it in case of violations. In certain cases, a fine could be perfectly complemented with an awareness campaign aimed at consumer empowerment.

In addition, ACM may use, depending on the specific circumstances, norm-transmitting discussions, commitment decisions, informal opinions, monitoring, and market scans, among other instruments. We also use strategic communication aimed at increasing the willingness to comply as an instrument to find solutions to market problems. Finding customized solutions based on sound problem analyses – that is the core of ACM's oversight philosophy.



In the rollout of the fiber-optic networks in the Netherlands, various aspects play a role: investments, competition, and consumer interests. Through its subsidiary Reggefiber, Dutch telecom company KPN (the incumbent) is working on the creation of new fiber-optic networks.

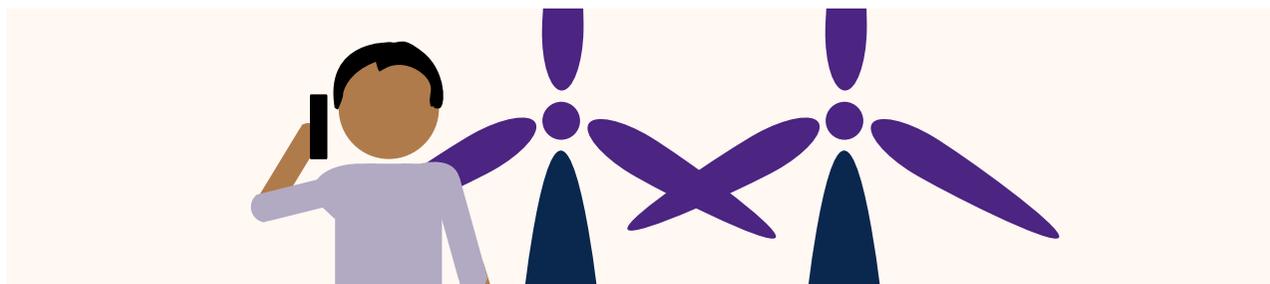
In order to stimulate investments, ACM offers both KPN and providers that wish to gain access to these networks long-term regulatory certainty in its regulation of the telecommunications market. In addition, ACM mandates KPN to announce in a timely manner where it will introduce new fiber-optic networks and services. This will ensure that KPN and the other telecom providers have the same starting positions when competing for new customers.

Through ConsuWijzer, ACM received many consumer complaints about the way fiber-optic subscriptions were offered. Following these complaints, ACM agreed with all providers that they inform consumers more clearly, and that they keep them informed about their fiber-optic subscription. By taking into account the interests of investors, providers and consumers in its actions, ACM tries to stimulate the rollout of fiber-optic in the Netherlands as much as possible.

## Keeping an eye out for public interests

An important question that the Netherlands Authority for Consumers and Markets faces is how to deal with the different public interests that play a role in our market oversight. Well-functioning markets and consumer sovereignty are public interests that must be protected, as set out by the legislature. The underlying idea is that, by protecting these public interests, welfare for consumers and for Dutch society as a whole is increased. ACM therefore has tasks and powers to intervene in situations where such public interests are jeopardized as a result of the structure of the market or because of behavior of one or more market participants.

And through its enforcement of specific regulations for transport, telecommunications, energy and postal services, ACM additionally protects public interests relating to the sustainability, affordability, quality, and availability of products and services in those industries. Within these legislative boundaries, ACM also takes into account other public interests such as innovation.



Businesses say they wish to work together with regard to sustainability. Sustainability arrangements are not exempted from competition law. All arrangements between businesses, and all activities of businesses are assessed in exactly the same way, whether they involve sustainability initiatives or not. With such sustainability initiatives, it is critical to have certainty about what is and what is not allowed. That is why ACM clarified its framework, and explained it in further detail in its vision document on 'Competition & Sustainability'. If the framework is clear, this will have a stimulating effect on investments and collaborations that benefit consumers.

The same goes for sustainability initiatives in the energy sector. In its regulatory activities, ACM strikes a balance between affordability on the short term and security of supply and sustainability on the long term. ACM wishes to facilitate sustainability initiatives in the energy sector as much as it can within the legislative boundaries it needs to operate in. In its vision document 'Sustainability in energy regulation,' ACM has explained what room market participants and network operators have for developing sustainable energy initiatives. Both vision documents have been consulted extensively with stakeholders, and have been published on our website [www.acm.nl](http://www.acm.nl).

## Consumers are central to our thinking

Consumers are central to the thinking of the Netherlands Authority for Consumers and Markets. This central position of consumers is reflected in ACM's prioritization policy, our oversight style and our selection of instruments. In the prioritization process, one of the most important criteria we use is the potential harm to consumers that the behavior of companies might inflict (quantitatively and qualitatively, directly and indirectly). Other prioritization parameters are the strategic interest that is at stake (for example, taking away consumer concerns or the deterring effect of public sanctioning), and whether ACM is able to take action effectively and efficiently.

In its choice of making the interests of consumers central to its philosophy, ACM believes that consumers themselves generally know best what their interests are and how these can be served best. The core principle of free markets is the sovereignty of consumers. If this sovereignty is jeopardized, consumer welfare may be adversely affected, in which case ACM will take action to protect the interests of consumers.



Public attention to health care is high. Health care must be affordable, accessible and of high quality. ACM keeps an eye on competition in the health care sector, and sees to it that mergers and collaborations between care providers and insurers do not negatively affect consumers. But it also looks into the benefits that a collaboration or merger might have for consumers. In that assessment, ACM looks at consumers as both patients and insured. If health care providers work together or merge, and the quality of treatments improves, patients will benefit. Working together may also help keep health care affordable, with lower premiums for the insured. ACM takes action against arrangements that do not serve the interests of consumers. ACM has released guidelines on collaboration between hospitals, entitled 'Assessing mergers and collaborations in hospital care.' ACM plans to publish similar guidelines for primary care, mental health care and long-term care.

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