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# FROM SYMBOL TO SUBSTANCE – RETHINKING COLLECTIVE REDRESS IN FINLAND

**Key words:** collective redress, the Representative Actions Directive, consumer protection

**Summary**

This article examines the evolution, limitations and recent developments of collective redress mechanisms in Sweden and Finland, highlighting how the EU's Representative Actions Directive has begun reshaping the Nordic landscape. Sweden introduced a broad class action system in 2003, permitting public, private and organisational actions across nearly all civil matters. Despite initial expectations of frequent use, the system has produced relatively few cases, though many pursued actions have succeeded.

Finland, by contrast, adopted a far narrower model. After years of hesitation, it enacted the Act on Class Actions in 2007, allowing only public class actions brought exclusively by the Consumer Ombudsman and limited to consumer disputes under an opt-in model. This cautious approach reflected concerns about potential abuse, a strong tradition of ombudsman-based dispute resolution, and scepticism toward perceived US-style litigation. As a result, Finnish class actions have remained largely theoretical, with no cases filed in nearly two decades.

The article then turns to contemporary challenges in consumer protection and administrative fairness. Payment ethics in Finland have deteriorated, illustrated by Finnair's repeated delays and rejections of compensation claims for cancelled flights. Despite EU rules requiring reimbursement within seven days, Finnair imposed a two-month claim deadline unsupported by law. The Consumer Ombudsman initiated Finland's first representative action before the Market Court, but the court declared the primary claim inadmissible and dismissed the secondary claim, focusing narrowly on industry practice rather than on consumer harm. Additional concerns have arisen from administrative compensation processes in the wellbeing services sector, where vulnerable patients face evidentiary burdens they cannot meet, inconsistent reasoning and cost-saving incentives that undermine fairness. Cases involving lost property, unexplained depreciation and aggressive debt collection practices reveal structural weaknesses in administrative accountability.

Against this backdrop, the EU's Representative Actions Directive (2020/1828) emerges as a potentially corrective force. The directive grants designated qualified entities the right to bring representative actions across a wide range of consumer-related fields, including data protection, financial services, travel, energy and telecommunications. Finland implemented the directive in 2023 through new legislation expanding the scope of class actions, broadening standing to include qualified organisations, regulating third-party funding and establishing frameworks for cross-border actions. Representative actions differ from traditional class actions by emphasising injunctive and redress measures, broader subject-matter coverage and full cost-shifting rules, signalling a more robust enforcement mechanism.

The Finnair case demonstrates the practical relevance of the new system: within two years of implementation, the Consumer Ombudsman has already used the representative action mechanism to challenge systemic practices. The directive's broader scope and stronger institutional design may help address structural imbalances in consumer markets and overcome the limitations of Finland's traditional class action regime. Overall, the article argues that EU-driven reforms have introduced a more effective and accessible model of collective enforcement, better suited to contemporary market conditions and consumer protection needs.

## Introduction

Collective redress has long occupied an ambivalent position within the Nordic legal tradition. While Sweden adopted a broad and ambitious class action model as early as 2003, Finland proceeded with markedly greater caution, ultimately enacting a narrowly framed Act on Class Actions in 2007 that has remained largely unused in practice. The contrast between the two systems reflects deeper structural and cultural differences: Sweden embraced a model permitting public, private and organisational actions across a wide range of civil matters, whereas Finland restricted standing exclusively to the Consumer Ombudsman and limited the mechanism to consumer disputes under an opt-in framework. As a result, the Finnish class action regime has remained "largely devoid of practical substance" and has produced no cases in nearly two decades, despite persistent academic debate and criticism of its limited scope.

Recent developments, however, suggest that the Nordic landscape is undergoing significant transformation. Deteriorating payment ethics, increasingly complex consumer markets and growing concerns about administrative fairness have exposed structural weaknesses in traditional ombudsman-based enforcement. The Finnair compensation controversy – Finland's first representative action brought before the Market Court[1] – illustrates how systemic practices can undermine consumer rights even in highly regulated sectors.[2] At the same time,

[1] Notice of the Finnish Consumer Ombudsman: Finnair hylkaa korvausvaatimukset myohastyneina ilman patevaa perustetta – kuluttaja-asiamies hakee kieltoa markkinaoikeudelta [Finnair rejects compensation claims as time-barred without valid grounds – Consumer Ombudsman seeks a prohibition from the Market Court], 19.3.2025. Available in Finnish: https://www.kkv.fi/ajankohtaista/tiedotteet/finnair-hylkaa-korvausvaatimukset-myohastyneina-ilman-patevaa-perustetta-kuluttaja-asiamies-hakee-kieltoa-markkinaoikeudelta/ [last viewed 17.12.2025].

[2] The Finnair case will be discussed in greater detail in chapter 3.1.

cases arising from the wellbeing services counties reveal troubling inconsistencies in administrative decision-making, evidentiary burdens and institutional incentives.

Against this backdrop, the European Union's Representative Actions Directive (EU) 2020/1828 has emerged as a potentially corrective force. By expanding standing to qualified entities, broadening the substantive scope of collective enforcement and strengthening procedural tools such as injunctive and redress measures, the directive challenges the long-standing Nordic assumption that informal, consensus-oriented mechanisms suffice to protect collective interests. Finland's 2023 implementation of the directive marks a decisive shift from symbolic to substantive collective redress, signalling a new era in which EU-driven procedural harmonisation may reshape national enforcement cultures.

## 1. Historical background – a careful start

In Sweden, the class action system has been in force since 2003. The system encompasses a broad range of group actions: in principle, all civil cases falling within the jurisdiction of the general courts are covered.[3] In addition, claims for environmental damage fall within the jurisdiction of specialised environmental courts.[4] Public, private and organisational group actions are recognised and permitted. The original policy objective of the Swedish reform, however, has not been realised. The initial expectation of approximately twenty class actions per year has instead resulted in a significant number of cases being dismissed, withdrawn or concluded through settlement or arbitration. It should nevertheless be noted that a considerable proportion of the cases that were pursued were successful for the claimants.[5]

By contrast, the scope of collective actions in Finland has been significantly more limited than in Sweden. Following the Nordic Council's proposal to explore the introduction of class action procedures into national legislation, preparatory work on collective litigation commenced in Finland.[6] The adaptation of the system into Finnish legislation remained under consideration for an extended period without concrete results. Despite earlier setbacks, the Act on Class Actions (444/2007) entered into force on 1 October 2007. This development was largely attributable to the government's cautious and information-based legislative

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[3] Gunnervald M. Grupptalan [Class Action]. Sodertorn: Domarbloggen, 2019. Available in Swedish: https://www.domarbloggen.se/grupptalan/ [last viewed 15.12.2025].

[4] The Swedish Group Proceedings Act (2002:599) section 2(3).

[5] Lindblom P. H. Lagen om grupprattegang – bakgrund och framtid [The Group Proceedings Act – Background and Future]. Uppsala: Svensk Juristtidning, No. 2, 2005.

[6] Lappalainen J., Hupli T. Ryhmakanne [The Class Action]. In: Prosessioikeus [Procedural Law]. Helsinki: Alma Talent, 2021, pp. 1283–1285.

approach, combined with an explicit effort to draw lessons from the Swedish experience.[7]

Under the act, only public group actions were permitted. Moreover, standing to bring such an action was vested exclusively in the Consumer Ombudsman. Meanwhile, the Swedish act allowed all three forms of class action. The Swedish model, however, is based exclusively on an opt-in mechanism, which today can be regarded as an unnecessary limitation.[8] Although the Finnish act formally existed, it has remained largely devoid of practical substance. Its scope was confined to consumer disputes; only public actions were admissible, and participation is still today based solely on an opt-in system. Finland's notably cautious approach to collective litigation may be explained by concerns relating to potential abuse of the system, as well as by an emphasis on consensus-oriented solutions in the design of the group action regime.[9]

Finland and Sweden have a long-standing tradition of ombudsmen and dispute resolution boards that issue recommendations concerning individual disputes.[10] The board does not issue legally binding decisions, but rather non-binding recommendations that are generally followed in practice. Traditionally, this system, which is also free of charge for consumers, has functioned effectively, and compliance with the board's recommendations has earlier been high.[11]

Nevertheless, the Consumer Ombudsman has had the possibility to bring mass complaints before the Consumer Complaints Board. One example is the case against Peab Oy.[12] In that instance, the Consumer Disputes Board rejected the Consumer Ombudsman's class complaint against the construction company Peab Oy. The complaint concerned the marketing of newly constructed housing,

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7 Ervo L. Group Actions in East-Nordic Legal Culture. In: Uzelac A., Voet S. (eds.). Class Actions in Europe: Holy Grail or a Wrong Trail? Ius Gentium: Comparative Perspectives on Law and Justice, Vol. 89. Cham: Springer, 2021, p. 178.

8 Ervo L. Opt-In is Out and Opt-Out is in. In: Hess B., Bergstrom M., Storskrubb E. (eds.). EU Civil Justice: Current Issues and Future. Oxford: Hart Publishing, 2016, pp. 185–200.

9 Ervo L. 2021, p. 178.

10 Ervo L., Persson A. H. The Finnish and Swedish legislation in the light of the ADR-directive: boards and ombudsmen. In: Lein E., Fairgrieve D., Otero Crespo M., Smith V. (eds.). Collective redress in Europe: why and how? London: British Institute of International and Comparative Law, 2015, pp. 455–478.

11 Ervo L. The Impact of the Directive on Representative Actions for the Protection of the Collective Interests of Consumers on the East-Nordic Countries' Legislation. Madrid: Revista Italo-Espanola de Derecho Procesal, No. 2, 2020, pp. 143–146. Stakeholders also raised the issue in 2016 that the Finnish Competition and Consumer Authority had not been focusing on issues that are important for the national economy and desired to change that. See Huomo T., Kallio J., Kleemola J. Kilpailu- ja kuluttajaviraston arviointi [Assessment by The Competition and Consumer Authority]. Tyo- ja elinkeinoministerion julkaisuja TEM raportteja [Publication of Ministry of Employment TEM reports], No. 4, 2016, pp. 15–16.

12 E.g. in 2016 a mass complaint was made against the electric company Caruna due to unreasonable tax increases. The Consumer Complaint Board was able to lower the tax, thus making the price of electricity more reasonable. Decision of the Finnish Consumer Complaint Board KKV/207/14.08.01.05/2016. Available in Finnish: https://www.kkv.fi/paatokset/kuluttaja-asiat/kuluttaja-asiamiehen-ratkaisut/kkv-207-14-08-01-05-2016/ [last viewed 19.12.2025].

particularly the information provided regarding maintenance charges. The housing costs borne by residents turned out to be higher than initially estimated. In its decision, the Consumer Complaints Board emphasised that the financing plan constituted only an estimate and therefore could not be regarded as fully binding.[13]

Given the traditionally significant role of boards in Scandinavia in facilitating access to justice in an efficient and cost-effective manner without recourse to litigation, Sweden has likewise established its own dispute resolution body. Class complaints have been possible in Sweden since 1991, before the National Board for Consumer Disputes (ARN). The Consumer Ombudsman, and in the second instance also associations representing consumers or wage earners, may initiate a class complaint before the ARN. This mechanism is not based on an opt-in model; rather, the board's recommendation applies to all consumers who have identical claims against the same trader arising from the same factual and legal grounds.[14]

It has nevertheless been argued that group action mechanisms are incompatible with Nordic legal traditions on the basis of being too closely aligned with the US model of litigation. Some commentators have gone so far as to suggest that extensive use of collective actions could endanger national competitiveness in international markets due to the risk of systemic abuse.[15] The concerns were subsequently subjected to critical scrutiny by Professor Per Henrik Lindblom, who demonstrated in his extensive monograph that class actions are capable of fitting within the Scandinavian legal order.[16] This line of criticism played a decisive role in shaping Finland's cautious approach to collective litigation.

As a result of this approach,[17] class actions have remained, for the most part, merely a theoretical legal remedy, primarily discussed in academic literature rather than applied in practice. The Finnish Consumer Ombudsman has also faced considerable criticism for the absence of class actions, to which the ombudsman has responded by asserting that class actions are simply not necessary – the mere

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[13] Decision of the Finnish Consumer Disputes Board of 15 May 2012, case No. 1070/81/11. Available in Finnish: https://www.kuluttajariita.fi/paatokset/ryhmavalitus-uusista-asunto-osakkeista-annetut-vastike-ja-vesimaksutiedot/ [last viewed 18.04.2026].

[14] See Lindblom P. H. Grupptalan i Sverige [Group Action in Sweden]. Stockholm: Norstedts Juridik, 2008, p. 251.

[15] Hodges C. The Reform of Class and Representative Actions in European Legal Systems. A New Framework for Collective Redress in Europe. Oxford: Hart Publishing, 2008, p. 68. On the critical aspects, see the collected work by Oker-Blom M. Behovet av grupptalan – en argumentativ ovning [The Need for Class Actions – An Argumentative Exercise]. Tidskrift utgiven av Juridiska Foreningen i Finland, No. 1, 2006, pp. 86–107 and Pennanen M. Ryhmakanteen perusoikeusnakokulmia [Fundamental Rights Perspective on Class Actions]. Helsinki: Edilex 2005. Available: https://www-edilex-fi.libproxy.helsinki.fi/artikkelit/2687.pdf [last viewed 13.05.2026], pp. 7–10.

[16] Lindblom P. H. Grupptalan: Det anglo-amerikanska class action institutet ur svenskt perspektiv [Group Action: The Anglo-American Class Action System from a Swedish Perspective]. Stockholm: Norstedts Juridik, 1989.

[17] Valimaki M. Uusi ryhmakannelaki – eras lainsaadantopoliittinen seikkailu [The New Group Action Act – A legislative and political venture]. Lakimies, No. 1, 2008, pp. 15–17.

possibility of a class action has encouraged parties to seek alternative forms of dispute resolution, thereby rendering actual class action proceedings superfluous.[18]

The lack of case law, combined with limited public information about the class action system, may nevertheless constitute a threat – or at least a significant impediment – to the development and effective application of the mechanism. Based on existing Nordic experience, the process of forming a group capable of initiating a class action typically takes approximately two years. The process appears excessively complex and time-consuming, particularly in situations where the individual financial interest involved is low.[19]

Given the limited awareness about the system, the high threshold for its use and the absence of an opt-out mechanism, it is hardly surprising that no class action cases have been recorded since the introduction of the Finnish class action regime, even though the legislation has been in force for almost two decades.

## 2. Current situation – payment ethics deteriorate

The current situation in the eastern Nordic countries is far from satisfactory. In Finland, although the Consumer Ombudsman has taken a more active role and issued increasingly clear statements, the broader culture has shifted, and payment practices have deteriorated. A prominent illustration of this development is provided by the state-majority-owned airline company Finnair.

### 2.1. Finnair and the compensation controversy

In 2024, the Finnish Consumer Ombudsman received multiple complaints concerning Finnair's delayed payment of compensation for cancelled flights. Finnair was found to have breached Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004, which establishes common rules on compensation and assistance to passengers in the event of denied boarding, cancellation or lengthy flight delays and repeals Regulation (EEC) No 295/91, particularly Articles 5(1)(a) and 8(1)(a). The Consumer Ombudsman nevertheless decided not to pursue further investigation at that stage on the grounds that there were no longer indications of ongoing delays in refunds.[20]

However, already in the autumn of 2024, the Consumer Ombudsman again criticised Finnair for continuing to postpone compensation payments

[18] Molsa A. Ryhmakannelaki jaanyt kuolleeksi kirjaimeksi [The Finnish Group Action Act has remained a dead letter], Yle Uutiset, 24.02.2010. Available in Finnish: https://yle.fi/a/3-5515563 [last viewed 17.12.2025].

[19] Similar thoughts and experiences can be found in the Nordic report: TemaNord 2006:583, Consumers' right of action in antitrust cases: Current problems and future solutions.

[20] Decision of the Finnish Consumer Ombudsman KKV/568/14.08.01.05/2024. Available in Finnish: https://www.kkv.fi/paatokset/kuluttaja-asiat/kuluttaja-asiamiehen-ratkaisut/takaisinmaksuaika-lentolipun-hinnan-palautustilanteissa/ [last viewed 17.12.2025].

for cancelled flights. Finnair stated on its website that compensation payments were taking on average, between two and four weeks, despite the statutory time limit of seven days.[21] In addition, Finnair rejected passengers' compensation claims as time-barred without providing valid justification. Finnair unilaterally imposed a two-month time limit for submitting compensation claims following flight cancellations or delays. This two-month deadline is not supported by Finnish law, EU law or the case law of the Finnish Supreme Court.[22] Nonetheless, Finnair continued the practice throughout 2025. As a result, the Consumer Ombudsman sought an order from the Market Court prohibiting Finnair, subject to a conditional fine of 300 000 euro, due to refusing passengers' compensation claims on unclear grounds. It constituted the first collective redress action ever brought by the Consumer Ombudsman before the Market Court in Finland.[23]

In a recent judgment[24] the Market Court held that the time-limit practice applied by Finnair in the processing of standard compensation claims, which formed the basis for the Consumer Ombudsman's primary prohibition claim, did not constitute a contractual term falling within the scope of the Unfair Contract Terms Directive. Furthermore, the court found that Finnair's practice could not be regarded as unfair within the meaning of Chapter 3, Section 1(1) of the Consumer Protection Act. On this basis, the Consumer Ombudsman's primary prohibition claim, brought under the Act on Representative Actions, was declared inadmissible as falling outside the scope of application of that Act.[25] The Market Court further concluded that no evidence had been presented to demonstrate that the two-month time limit applied by Finnair materially deviated from industry practice or was disproportionate in relation to consumer protection time limits.[26] Accordingly, the primary prohibition claim was declared inadmissible, and the secondary

[21] Notice of the Finnish Consumer Ombudsman: Finnair ei palauttanut lippurahoja lakisaateisessa ajassa – ei antanut sitoumusta kuluttaja-asiamiehelle lain noudattamisesta jatkossakaan [Finnair did not return the money from the flight tickets within the statutory time – did not provide the Consumer Ombudsman with an undertaking to comply with the law going forwards], 01.10.2024. Available in Finnish: https://www.kkv.fi/ajankohtaista/tiedotteet/finnair-ei-palauttanut-lippurahoja-lakisaateisessa-ajassa-ei-antanut-sitoumusta-kuluttaja-asiamiehelle-lain-noudattamisesta-jatkossakaan/ [last viewed 17.12.2025].

[22] Notice of the Finnish Consumer Ombudsman: Finnair hylkaa korvausvaatimukset myohastyneina ilman patevaa perustetta – kuluttaja-asiamies hakee kieltoa markkinaoikeudelta [Finnair rejects compensation claims as time-barred without valid grounds – Consumer Ombudsman seeks a prohibition from the Market Court], 19.03.2025. Available in Finnish: https://www.kkv.fi/ajankohtaista/tiedotteet/finnair-hylkaa-korvausvaatimukset-myohastyneina-ilman-patevaa-perustetta-kuluttaja-asiamies-hakee-kieltoa-markkinaoikeudelta/ [last viewed 17.12.2025].

[23] Ibid.

[24] Judgment of the Finnish Market Court, MAO:206/2026. Available in Finnish: https://www.markkinaoikeus.fi/fi/index/paatokset/markkinaoikeudellisetasiat/mao2062026.html [in the wording of 20.04.2026].

[25] Judgment of the Finnish Market Court, MAO:206/2026, para. 21.

[26] Judgment of the Finnish Market Court, MAO:206/2026, paras. 54–56.

prohibition claim was dismissed. The Consumer Ombudsman has indicated that the possibility of an appeal is under consideration.[27]

The judgment is, from a consumer protection standpoint, deeply disappointing. It is especially striking that the Act on the Limitation of Debts (728/2003) was not addressed at any point in the decision, notwithstanding the fact that this legislation governs, inter alia, the general limitation period applicable to debt claims.[28] The issue at hand is not expressly regulated by EU law or Finnish domestic law. Only one judgment by the Finnish Supreme Court addresses the matter, stating merely that, as a general rule, a complaint or compensation claim "must be made to the airline within a reasonable amount of time".[29] It begs the question, how can Finnair decide the limitation period on its own, and what is their decision based on? Regardless, the Market Court did not, in substantive terms, take a position on whether Finnair's practices are harmful to consumers. Instead, it confined its analysis to a comparison between Finnair's conduct and that of other major commercial operators.

In addition to rejecting and delaying the payment of compensation claims, Finnair also unilaterally discharged fixed compensation by issuing vouchers rather than making cash payments. The same practice was applied in cases where passengers sought reimbursement for accommodation and meals they had paid for out of pocket, notwithstanding that Finnair was obliged under EU law to provide such compensation. In those situations, passengers were neither consulted nor afforded the opportunity to request compensation in cash. The Consumer Ombudsman considered this practice unlawful, emphasising that compensation in the form of vouchers requires the passenger's consent. Following negotiations between the Consumer Ombudsman and Finnair, this latter practice was subsequently discontinued.[30]

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[27] Notice of the Finnish Consumer Ombudsman: Markkinaoikeus: Finnairin kaytanto hylata vakiokorvausvaatimuksia myohastyneina ei ole lainvastainen [Market Court: Finnair's practice of rejecting standard compensation claims as late is not unlawful], 17.04.2026. Available in Finnish: https://www.kkv.fi/ajankohtaista/tiedotteet/markkinaoikeus-finnairin-kaytanto-hylata-vakiokorvausvaatimuksia-myohastyneina-ei-ole-lainvastainen/ [last viewed 20.04.2026].

[28] The Act on the Limitation of Debts section 4. The general limitation period for a debt is three years from the specified date, if the limitation period has not been interrupted before that.

[29] Judgment of the Finnish Supreme Court, KKO 2021:69. Available in Finnish: https://korkeinoikeus.fi/fi/index/ennakkopaatokset/kko202169.html [in the wording of 20.04.2026].

[30] Notice of the Finnish Consumer Ombudsman: Kuluttaja-asiamies vie Finnairin pitkittyneet rahanpalautusajat markkinaoikeuteen – lahjakorttikaytantojen korjaamisesta sopu [Consumer Ombudsman takes Finnair's prolonged refund times to Market Court – agreement reached on correcting voucher practices], 09.04.2026. Available in Finnish: https://www.kkv.fi/ajankohtaista/tiedotteet/kuluttaja-asiamies-vie-finnairin-pitkittyneet-rahanpalautusajat-markkinaoikeuteen-lahjakorttikaytantojen-korjaamisesta-sopu/ [last viewed 15.04.2026].

## 2.2. Welfare governance in question

The other example concerns an action research case involving a small compensation claim brought against a wellbeing services authority.[31] In this case, an elderly and frail patient was transported by ambulance to an emergency department and changed into hospital-issued clothing, after which all personal garments disappeared. A nursing note recorded the following day stated that the storage basket located under the patient's bed was empty. Despite this contemporaneous documentation, the administrative decision issued by the Wellbeing Services County of Southwest Finland concluded that it had not been demonstrated that the disappearance of the clothing resulted from staff action or negligence. The burden of proof was placed on the patient or the patient's representative, even though the patient was incapacitated and the institution exercised full control over the patient's belongings throughout the relevant period.

A central point of dispute concerned the valuation of the missing items. The claimant reported the estimated value of the clothing at the time of disappearance, rather than the original purchase price. Nevertheless, the administrative decision applied depreciation to those already adjusted values without providing any reasoning for doing so. The rectification request explicitly challenged this approach and argued that compensation should reflect the current value of the items being used. However, the rectification process failed to address the arguments. Instead, the revised decision largely reproduced the content of the original decision almost verbatim, including extensive standardised passages that bore no relevance to the specific circumstances of the case. The reasoning did not respond to the claimant's arguments or questions or to the identified ambiguities, nor did it explain why depreciation had been applied. Partial compensation was granted solely on grounds of reasonableness, based on the assumption that the patient could not have arrived at the hospital without clothing, despite the fact that liability was formally denied.

The deficiencies of the administrative process were further illustrated when the claimant sought clarification directly from the legal counsel whose name appeared in the rectification decision. The initial email enquiry received no response. After approximately four months, a reminder was sent, resulting in a brief reply stating only that there was nothing to add to the decision already issued and that any further challenge would need to be pursued by bringing a civil claim before the district court. No explanation was provided regarding the legal reasoning, the unanswered questions or the issues raised in the rectification request.

This sequence of events reflects a broader institutional attitude in which even legally justified compensation claims may be denied for cost-saving reasons. The approach apparently relies on the assumption that individuals will not pursue

[31] Wellbeing Services County of Southwest Finland (Varha), Official Decision, VARHA/5047/03.02.02.00/2025.

litigation, particularly where the monetary value of the claim is low relative to the effort and resources required to initiate court proceedings. Within such a system, incremental denials of small claims may cumulatively generate financial savings for the institution, even where the practice raises serious concerns regarding legality, fairness and the treatment of vulnerable patients.

The Wellbeing Services County of Southwest Finland has also issued payment reminders concerning alleged invoices dating back several years to the relatives of deceased patients, even where no invoice had previously been sent or received. According to a statement by the Finance Director of the Wellbeing Services County of Southwest Finland, the collection of such invoices had been delayed, and it was possible that some recipients of the collection notices had not received the original invoices.[32] Several relatives have stated that they did not receive the original invoices despite repeatedly requesting them. In such cases, it has been extremely difficult, if not impossible, to determine the basis of the claimed debt, particularly where the billing breakdown consists solely of a laconic reference to a "healthcare equalisation fee". Furthermore, the debt collection agency has allowed recipients only a few weeks to pay invoices that may amount to tens of thousands of euros.[33]

Taken together, the cases illustrate structural tensions between formal administrative processes and the practical realities of emergency care. They demonstrate the difficulties associated with evidentiary requirements in situations where the institution has exclusive control over a patient's property and the patient is unable to participate in safeguarding it. More broadly, they raise fundamental questions concerning responsibility, documentation practices and the fairness of administrative decision-making in contexts involving vulnerable individuals, as well as the systemic incentives that may shape institutional responses to compensation claims.

## 3. EU as a changing tool

Bearing in mind the clearly unfavourable shift in the culture surrounding class actions, the question arises of whether the European Union could function as a corrective force in the Nordic context. Regardless of the answer, the EU adopted the Representative Actions Directive (EU) 2020/1828,[34] which

[32] Hjelt Y., Hirvonen H. Turkulainen Hannu Lahti sai yli 17 000 euron karhukirjeen hyvinvointialueelta – han ei edes tieda, mita lasku koskee [Turku resident Hannu Lahti received a recovery demand of over 17 000 euro from the wellbeing services county – and he does not even know what the bill relates to]. Yle, 27.10.2025. Available in Finnish: https://yle.fi/a/74-20189963 [last viewed 20.04.2026].

[33] Hirvonen H. Varha karhuaa tuhansia euroja kuolleilta – jarkyttynyt omainen: "En pysty makamaan" [Varha is demanding thousands of euros from deceased persons – shocked relative: "I cannot pay."]. Yle, 28.10.2025. Available in Finnish: https://yle.fi/a/74-20190787 [last viewed 20.04.2026].

[34] Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC.

introduced significant changes to the regulation of collective enforcement and established a new procedural instrument: representative action.

The directive confers upon designated qualified entities the right to bring representative actions against traders who infringe on EU legislation protecting the collective interests of consumers. In Finland, the designation of qualified entities falls within the competences of the Ministry of Justice. The scope of the directive is considerably broader than that of traditional class action legislation. It enables qualified entities to initiate representative actions not only within the confines of general consumer law but also in such sectors as data protection, financial services, travel and tourism, energy and telecommunications.[35]

The most significant differences between traditional class actions and collective redress mechanisms concern funding arrangements, representation and the nature of the claims. External funding is permitted to cover litigation costs in collective redress actions, whereas far stricter rules apply to class actions. Moreover, representative actions primarily emphasise injunctive and redress measures, aiming to compel traders to cease unlawful or unfair practices and to remedy their consequences. Class actions, by contrast, have traditionally focused more narrowly on the pursuit of monetary compensation.[36]

Prior to implementation of the directive, Finnish legislation governing injunctive and redress measures was fragmented and incomplete. Notably, the Consumer Ombudsman held an exclusive monopoly on standing to bring class actions. In addition, there was no legislative framework governing third-party funding, and the scope of protection was largely confined to traditional consumer relationships. As a result, areas like environmental damage and data protection infringements fell outside the effective scope of collective enforcement.

The Representative Actions Directive was implemented in Finland in 2023 through the adoption of the Act on Representative Actions for Injunctive Measures (1101/2022) and the Act on Designating Consumer Collective Interest Organisations as Qualified Entities (1102/2022). In addition, the Act on Class Actions was amended. The legislative reform introduced five principal changes: (1) the scope of application of the Class Action Act was extended; (2) standing to bring class actions was broadened; (3) provisions were introduced concerning the designation of organisations as qualified entities and the conditions for such designation; (4) rules were established for entities designated as qualified entities in cross-border representative actions brought in other EEA states; and (5) provisions were adopted governing the funding of redress measures.[37]

The scope of the Class Action Act is defined in section 1 of the act. Following the reform, it now extends to disputes concerning the conduct of issuers of

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[35] The Representative Actions Directive clause (13).

[36] The Act on Representative Actions for Injunctive Measures (1101/2022), sections 1, 8 and 10.

[37] Hallituksen esitys eduskunnalle kuluttajien yhteisten etujen suojaamiseksi nostettavia edustajakanteita koskevan direktiivin taytantoonpanoa koskevaksi lainsaadannoksi [Government Proposal to Parliament for the implementation of the Directive on representative actions for the protection of the collective interests of consumers], 111/2022 vp, pp. 33–34.

securities, as regulated by the Securities Markets Act (495/1989), as well as the conduct of parties involved in public takeover bids. Furthermore, standing to bring class actions was extended beyond the Consumer Ombudsman to include other qualified organisations. To this end, the wording of section 4 of the act was amended to confer standing upon qualified entities.[38]

In addition, an entirely new legislative framework was adopted to regulate qualified entities, namely the Act on Qualified Consumer Organisations. This act also contains provisions governing the designation of qualified entities for the purpose of bringing cross-border representative actions in other EEA states, a novel feature within the Finnish legal system. The Act on Representative Actions for Injunctive Measures likewise constitutes new legislation, codifying the substantive and procedural requirements laid down in the directive.

## Conclusions

The amendments to the Group Actions Act and related legislation resulted from the EU Representative Actions Directive, which required Member States to introduce new and more effective mechanisms for collective redress. The directive acted as the immediate trigger for national legislative reform and provided the framework for restructuring the Finnish system.

The Group Actions Act was amended so that, in addition to the Consumer Ombudsman, a registered association promoting the common interests of consumers and designated as a qualified entity can bring an action on behalf of consumers who had suffered losses. The scope of the Act was expanded in line with the directive so that, beyond traditional consumer protection infringements, group actions could be brought in matters concerning, for example, data protection, financial services, transport, or electronic communications.[39]

The Act on the Designation of Consumer Organisations as Qualified Entities was applied to the designation of registered associations as qualified entities entitled to bring representative and group actions. The Act set out the conditions that an association had to meet to be designated as a qualified entity. These requirements ensured that representative and group actions were brought only to safeguard the common interests of consumers and to secure the effective enforcement of consumer rights. This prevented unfounded or malicious actions. The Ministry of Justice designates qualified entities.[40]

To ensure that associations had a practical opportunity to bring group action, external funding was permitted to cover litigation costs. Strict conditions

[38] This includes the Consumer Ombudsman, for they are named in section 4a of the act as a qualified entity, therefore not limiting the jurisdiction of the Consumer Ombudsman.

[39] Government Proposal 111/2022.

[40] Ibid.

were imposed on such funding to prevent unfounded litigation and to safeguard consumer rights.[41]

The introduction of the directive gave group litigation in Finland greater momentum and substantive content. The directive functioned not only as a legal instrument but also as a catalyst for cultural and institutional change. EU-level tools were necessary for reshaping national practices, especially in legal systems where collective redress had traditionally played a limited role. By harmonising minimum standards and strengthening enforcement, the directive reinforced the position of consumers and encouraged national actors to adopt more robust mechanisms for collective protection. In this sense, the directive contributed to a broader shift towards a more proactive and assertive enforcement culture in Finland.

Such collective enforcement power was genuinely needed, even in the Nordic countries, where payment discipline and compliance with legal obligations had visibly weakened. Regulatory requirements were not followed consistently unless sufficiently concrete and effective tools existed to ensure compliance. This development was reflected in the declining adherence to the recommendations of the Consumer Disputes Board. Earlier, approximately 75% of recommendations were followed,[42] but the most recent data indicated a compliance rate of only 65%[43]. At the same time, the share of cases in which traders did not report at all whether they had complied with the recommendation increased sharply.[44] This lack of reporting undermined transparency and suggested a broader weakening of commitment to voluntary disputeresolution mechanisms.

The directive therefore played a structural role: it not only provided mechanisms for collective redress but also supported a transformation of national legal culture towards more consistent compliance with obligations and more

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[41] Government Proposal 111/2022.

[42] Luukkonen I. Kuluttajariitalautakunnan toiminnan kehittamistarpeet: Selvityshenkilon raportti [Needs for developing the operations of the Consumer Disputes Board: Report by the Special Rapporteur]. Helsinki: Oikeusministerion julkaisuja, Selvityksia ja ohjeita, 2024:4, p. 99. Available in Finnish: https://julkaisut.valtioneuvosto.fi/server/api/core/bitstreams/e9c91115-58e5-4e60-8c62-dec8957b586d/content [last viewed 26.04.2026].

[43] The Consumer Dispute Board. Kuluttajariitalautakunnan toimintakertomus 2025 – Kuluttajien oikeusturvan takaaminen ratkaisupyyntojen maaran kasvaessa [Annual Report 2025 of the Consumer Disputes Board – Ensuring Legal Protection for Consumers Amid Increasing Claims], 30.03.2026. Available in Finnish: https://www.kuluttajariita.fi/ajankohtaista/tiedote-ja-uutisarkisto/kuluttajariitalautakunnan-toimintakertomus-2025-kuluttajien-oikeusturvan-takaaminen-ratkaisupyyntojen-maaran-kasvaessa/ [last viewed 26.04.2026] and The Consumer Dispute Board. Sahkoyhtiot eivat noudata suosituksia [Electricity companies fail to comply with recommendations]. Available in Finnish: https://www.kuluttajariita.fi/ajankohtaista/tiedote-ja-uutisarkisto/sahkoyhtiot-eivat-noudata-suosituksia/ [last viewed 26.04.2026].

[44] The Consumer Dispute Board. Kuluttajariitalautakunnan toimintakertomus 2025 – Kuluttajien oikeusturvan takaaminen ratkaisupyyntojen maaran kasvaessa [Annual Report 2025 of the Consumer Disputes Board – Ensuring Legal Protection for Consumers Amid Increasing Claims], 30.03.2026. Available in Finnish: https://www.kuluttajariita.fi/ajankohtaista/tiedote-ja-uutisarkisto/kuluttajariitalautakunnan-toimintakertomus-2025-kuluttajien-oikeusturvan-takaaminen-ratkaisupyyntojen-maaran-kasvaessa/ [last viewed 26.04.2026].

credible enforcement. In this way, EUlevel instruments strengthened the capacity of national systems to respond to emerging enforcement gaps and to maintain trust in the functioning of consumer markets. This kind of collective power is genuinely needed to protect the rights of the weaker parties and of consumers in practice, ensuring that legal entitlements were not merely formal but also enforceable in realworld market conditions.

For too long, the legislative framework had been substantively comprehensive, yet the practical tools necessary for its enforcement had been insufficient. This imbalance had weakened payment discipline and reduced the willingness of companies and even public authorities to comply with their obligations in concrete cases. Strengthening collective mechanisms therefore addressed not only structural deficiencies but also a broader erosion of compliance culture.

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