



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.09.1996

SEC(96) 1179 final

95/0148 (COD)

COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT

pursuant to the second subparagraph of Article 189 b (2) of the EC-Treaty

Common position of the Council on the proposal for a European Parliament and Council Directive on consumer protection in the indication of the prices of products offered to consumers

COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT

pursuant to the second subparagraph of Article 189 b (2) of the EC-Treaty

Common position of the Council on the proposal for a European Parliament and Council Directive on consumer protection in the indication of the prices of products offered to consumers.

I.BACKGROUND TO THE DOSSIER

Date of transmission of the proposal to the European Parliament and Council: 17.07.1995

Date of the opinion of the European Parliament, first reading: 18.04.1996

Date of transmission of the amended proposal: 24.06.1996

Date of adoption of the common position: 27.09.1996

Date of the opinion of the Economic and Social Committee: 20.12.1995

II.OBJECT OF THE COMMISSION'S PROPOSAL

There are two major reasons for this proposal for a Directive: consumer protection and simplification.

The proposal protects consumers by guaranteeing them adequate information on the prices of products. Because of the complexity of the existing mechanism, consumers do not have transparent information on prices. Notably, the fact that the unit price of products marketed in pre-packaged quantities in compliance with Community ranges does not have to be indicated makes it impossible for consumers to readily compare the prices of similar products.

The proposal also has a simplifying effect, and thus comes within the scope of the subsidiarity principle. In its report to the Edinburgh Council on the adaptation of existing legislation to the principle of subsidiarity, the Commission had highlighted the case of the three price marking directives, indicating the difficulties associated with enforcing the current mechanism. The Commission said it would proceed to revise these three texts with a view to simplification, proposing to replace the three directives by one directive with a simplified system.

For these reasons, indication both of the selling price *and* the price per unit of measurement (the unit price) is the most appropriate and simplest way to inform consumers and to allow them to compare prices.

III.COMMENTS ON THE COMMON POSITION

A.Brief general comments on the common position

The Council's main contributions meet the following objectives:

- Specify the scope. For example, the Council has introduced explicit exemptions and more detailed definitions, and has also emended the wording; it has also spelt out that

advertising is included.

- Take into account the difficulties certain businesses will experience in applying the new mechanism. The Council's solution enshrines a different approach to that of the Parliament and Commission: Member States who wish to do so may exempt certain small retail businesses (Article 8). At the latest three years after the time limit for transposition, the Commission presents a report and, where appropriate, a specific proposal for these small retail businesses (Article 13).

B. Fate of the amendments of the European Parliament at first reading:

Parliament had adopted 22 amendments of which 14 were taken up by the Commission – at least as regards the substance – in its amended proposal. The Commission sometimes reworded the text or introduced emendations of an editorial nature or pertaining to legislative technique.

The Council did not include any of the Parliament's amendments in its common position.

C. Points of divergence between the Commission's amended proposal and the Council's common position

The most significant divergence between the amended proposal and the common position concerns the obligation to indicate the unit price for certain small retail businesses. The Council's approach (Articles 8 and 13) allows the Member States to make exemptions and to propose another scheme three years after the deadline for transposition.

In view of the fact that, at the meeting of the Consumer Affairs Council on 23 April 1996, the Italian Presidency noted unanimous political agreement on the proposal, the Commission did not consider it appropriate to take the floor. However, its position is set out below.

Accepting one of Parliament's amendments, the Commission's solution (Article 7) is to provide for a longer adaptation period than that initially envisaged. To adopt a solution providing for exemption would vitiate the purpose of the Directive in Member States or regions in which the distributive trade largely consists of small retail businesses. Investment in technologies allowing indication of unit prices makes economic sense, because they are an instrument in marketing and inventory management. The costs involved are minor, particularly because the generous adaptation period for small retail businesses should allow them to recoup their investments over an extended period. Hence such a period – provided it is long enough – would seem to be an adequate solution.

The other differences between the positions of the Council, the European Parliament and the Commission are highlighted in the comparative table annexed to this opinion and commented below.

Article 1:

The Council's wording of Article 1 is quite similar to that of the Commission. The Council uses the term "trader", which it proceeds to define. For this reason this term, which is customarily used in consumer protection directives, is more precise and the Commission can accept it.

It does not seem absolutely necessary to emphasise, as the Council has done in Article 1, that the Directive's objective is to improve consumer information, because this is already mentioned in the recitals. However, the Commission can accept this wording for purposes of clarification.

On the contrary, it seems useful to add, as in the amended proposal, that the Directive only concerns price comparisons "wherever such comparison is relevant", because this wording more clearly demarcates the scope of the directive, notably in relation to Article 6.

Article 1(2) of the amended proposal has the same objective as Article 3(2), indent 2, as regards auctions and Articles 1 and 2(d) and (e). For this reason the Commission can accept the Council's construction.

Article 2: The definitions of selling price and unit price in the amended proposal, resulting from a parliamentary amendment, are clearer and hence preferable to those in the Council's version.

Moreover it is not necessary to replace the notion of "given quantity" by that of "unity of the product or a given quantity" as the Council has done, because one unity of a product is also a given quantity. However, in the interests of clarity, the Commission could accept this wording.

The Council's wording of Article 2(c) could be accepted by the Commission provided the words "or weighed" are inserted, because the definition of products marketed in bulk concerns in particular fruit and vegetables.

The definitions of the notions of "trader" and "consumer" in Article 2(d) and (e) of the common position are useful and are acceptable to the Commission.

Article 3:

The Commission could accept the Council's wording of Article 3(1).

In the interests of clarification, the Commission included in Article 3(2) a parliamentary amendment containing a list of products or forms of marketing in respect of which there is no obligation to indicate the unit price.

Article 3(2) of the Council version specifies that products associated with the provision of a service as well as the sale of works of art and antiques are not included in the scope of the Directive. This is acceptable to the Commission.

In Article 3(3) the Council slightly emended the wording of Article 3(3) of the amended proposal. This emendation is acceptable.

Article 3(4) of the Council version and that of the amended proposal have the same objectives. However, the Commission prefers the broader and simpler wording of the amended proposal.

Article 4:

The provision contained in Article 4(2) no longer seems necessary, because it is covered by the definitions of Article 2(a) and (b) of the amended proposal and by Article 5; for this reason the Commission left it out.

The Commission is in favour of the Council's wording of Article 4(3), first sentence.

Although the objective of Article 4(3), second sentence, already seems to be covered by the first sentence, the Commission could accept the second sentence in the interests of clarification.

Article 5:

The explicit reference to marking or labelling in Council's Article 5 does not seem necessary. This is something which should be left to the Member States.

Article 5a:

The objective of Council's Article 5a is covered by Article 2(b) of the amended proposal. The Commission prefers the latter provision because it is clearer. However it is desirable to emphasise, as the Council has done, that reference is to a "unique" quantity.

Article 6:

As regards paragraphs 1 and 2, the Commission included the parliamentary amendments, which simplify the text.

In Article 6(2) of the amended proposal the Commission took over a parliamentary amendment. It seems desirable to ensure maximum consistency between the Member States' positive lists.

Article 7:

Apart from the points made at the start of this section, note that in Article 7 of its amended proposal the Commission deleted the example concerning "certain types of itinerant trade", because they had already been mentioned in the new Article 3(2).

Article 9:

The differences in the wordings concern the legislative technique. The Commission prefers the wording of the amended version.

Article 9a:

Council's Article 9a corresponds to the objective of Article 129a. In view of the hierarchy of Community rules, this provision is superfluous.

Article 10:

The notifications provided for in Article 10(3) and (4), which the Council has deleted, are needed for the Commission reports stipulated in the Directive and with a view to monitoring the conformity of the transposition instruments.

Article 11:

Apart from the points made at the start of this section, it seems preferable to retain the time limits for submission of the reports. The deadlines were proposed in the light of the Commission's experience in collecting the information necessary to draft the reports.

4 CONCLUSIONS

As regards the specifications of the scope (exemptions, definitions and changes in wording), the Commission considers that it is possible to reach agreement within a short period.

As regards the treatment of small retail businesses the Council's approach is to allow the Member States to grant exemptions, while Parliament's is to provide for permanent monitoring, financial support, and a generous adaptation period. Here the Commission has accepted permanent monitoring and the more generous adaptation period. The respective approaches of the Council and the Parliament remain divergent.

7
**COMPARATIVE TABLE
 OF THE POSITIONS OF THE COUNCIL
 AND THE EUROPEAN PARLIAMENT**

COUNCIL	EUROPEAN PARLIAMENT	EUROPEAN COMMISSION
	- 1. Whereas transparent operation of the market and correct information can be of benefit to consumer protection and healthy competition between enterprises and products.	1. Whereas transparent operation of the market and correct information can be of benefit to consumer protection and healthy competition between enterprises and products.
1. Whereas consumers must be guaranteed a high level of protection; whereas the <u>Community</u> should contribute thereto by <u>specific action which supports and supplements the policy pursued by the Member States regarding adequate information of consumers on the prices of products offered to them;</u>	1. Whereas consumers must <u>therefore</u> be guaranteed a high level of protection; whereas the <u>Union</u> should contribute thereto by <u>specific actions which provide for precise, transparent and unambiguous information of consumers on the prices of products offered to them;</u>	2. Whereas consumers must <u>therefore</u> be guaranteed a high level of protection; whereas the <u>Community</u> should contribute thereto by <u>specific actions which provide for precise, transparent and unambiguous information of consumers on the prices of products offered to them;</u>

78

<p>2. Whereas <u>Council Resolution of 14 April 1975 on a preliminary programme of the European Economic Community for a consumer protection and information policy¹</u> and <u>Council Resolution of 19 May 1981 on a second programme of the European Economic Community for a consumer protection and information policy²</u> provide for the establishment of common principles for indicating prices;</p>	<p>2. Whereas the Community's programmes for a consumer protection and information policy provide for the establishment of common principles for indicating prices;</p>	<p>3. Whereas the Community's programmes for a consumer protection and information policy provide for the establishment of common principles for indicating prices;</p>
<p>3. Whereas these principles have been established by Directive 79/581/EEC³ and Directive 88/314/EEC⁴ concerning the indication of prices of <u>certain foodstuffs and non-food products</u>;</p>	<p>3. Whereas these principles have been established by <u>Council Directive 79/581/EEC of 19 June 1979 as amended by Council Directive 88/315/EEC of 7 June 1988 and Council Directive 88/314/EEC of 7 June 1988 concerning the indication of prices of foodstuffs and non-food products</u>;</p>	<p>4. Whereas these principles have been established by <u>Council Directive 79/581/EEC of 19 June 1979 as amended by Council Directive 88/315/EEC of 7 June 1988 and Council Directive 88/314/EEC of 7 June 1988 concerning the indication of prices of foodstuffs and non-food products</u>;</p>

¹ OJ No C 92, 25.4.1975, p. 2.

² OJ No C 133, 3.6.1981, p.2.

³ OJ No L 158, 26.6.1979, p. 19. Directive as last amended by Directive 95/58/EC (OJ No L 299, 12.12.1995, p. 11).

⁴ OJ No L 142, 9.6.1988, p. 19. Directive as last amended by Directive 95/58/EC (OJ No L 299, 12.12.1995, p. 11).

<p>5. Whereas the obligation to indicate the selling price and the <u>unit price</u> contributes substantially to improving consumer information <u>notably at the moment of purchasing, as this is the easiest way to enable consumers to evaluate and compare the price of products in an optimum manner and hence to make informed choices on the basis of simple comparisons;</u></p>	<p>4. Whereas the obligation to indicate the selling price and the <u>price per unit of measurement</u> contributes substantially to improving consumer information <u>by providing consumers with essential data in order to make reasoned choices;</u></p>	<p>5. Whereas the obligation to indicate the selling price and the <u>price per unit of measurement</u> contributes substantially to improving consumer information <u>by providing consumers with essential data in order to make reasoned choices;</u></p>
	<p>5. Whereas, however, the mechanism adopted included a certain number of exceptions to the general obligation to indicate the unit price, notably when products are marketed in quantities or capacities corresponding to the values of the ranges adopted at Community level.</p>	<p>6. Whereas, however, the mechanism adopted included a certain number of exceptions to the general obligation to indicate the unit price, notably when products are marketed in quantities or capacities corresponding to the values of the ranges adopted at Community level.</p>
<p>4. Whereas <u>the link</u> between indication of the unit price of products and <u>their pre-packaging in pre-established quantities or capacities corresponding to the values of the range adopted at Community level</u> has proven overly complex to apply; whereas it is thus necessary to abandon this link <u>in favour of a new simplified mechanism and in the interest of the consumer,</u> without prejudice to the rules governing packaging standardization;</p>	<p>6. Whereas <u>this link</u> between indication of the unit price of products and <u>standardisation of packaging introduced rigidities into the implementation of the mechanism adopted,</u> which has proven overly complex to apply; whereas it is thus necessary to abandon this link <u>in the interests of simplification,</u> without prejudice to the rules governing packaging standardization;</p>	<p>7. Whereas <u>this link</u> between indication of the unit price of products and <u>standardisation of packaging introduced rigidities into the implementation of the mechanism adopted,</u> which has proven overly complex to apply; whereas it is thus necessary to abandon this link <u>in the interests of simplification,</u> without prejudice to the rules governing packaging standardization;</p>

10

	<p>6a. Whereas producers and traders <u>working with product series</u> may retain and further develop them, provided, however, that they also indicate the price per unit of measurement;</p>	<p>8. Whereas producers and traders <u>having resort to ranges</u> may retain and further develop them, provided, however, that they also indicate the unit price;</p>
	<p>7. Whereas, therefore, account should be taken of all the difficulties encountered in implementing the mechanism provided for in the above-mentioned Directives and a new and simplified mechanism proposed which will enable the main objective to be achieved more easily, namely adequate information of consumers;</p>	<p>9. Whereas, therefore, account should be taken of all the difficulties encountered in implementing the mechanism provided for in the above-mentioned Directives and a new and simplified mechanism proposed which will enable the main objective to be achieved more easily, namely adequate information of consumers;</p>
	<p>8. Whereas indicating the selling price and the unit price is the easiest way to enable consumers to evaluate and compare the nature and quality of products in an optimum manner and hence to make informed choices on the basis of simple comparisons;</p>	<p>10. Whereas indicating the selling price and the unit price is the easiest way to enable consumers to evaluate and compare the nature and quality of products in an optimum manner and hence to make informed choices on the basis of simple comparisons;</p>

<p>6. Whereas, therefore, <u>there should be a</u> general obligation to indicate both the selling price and the unit price for all products except for products <u>sold</u> in bulk, where the selling price cannot be determined until the consumer indicates how much of the product <u>is required</u>;</p>	<p>9. Whereas, therefore, <u>the general obligation</u> to indicate both the selling price and the unit price for all products <u>should be maintained</u> except for products <u>marketed</u> in bulk, where the selling price cannot be determined until the <u>final</u> consumer indicates how much of the product <u>he requires</u>;</p>	<p>11. Whereas, therefore, <u>the general</u> obligation to indicate both the selling price and the unit price for all products <u>should be maintained</u> except for products <u>marketed</u> in bulk, where the selling price cannot be determined until the <u>final</u> consumer indicates how much of the product <u>he requires</u>;</p>
<p>7. <u>Whereas Member States may decide not to apply the abovementioned obligation to products supplied in the course of the provision of a service and for sales by auction and sales of works of art and antiques</u>;</p>		
<p>12. Whereas Community-level rules can ensure homogenous and transparent information that will benefit all consumers in the context of the internal market; whereas the new, simplified approach is both necessary and sufficient to achieve this objective;</p>	<p>10. Whereas <u>only</u> Community-level rules can ensure homogenous and transparent information that will benefit all consumers in the context of the internal market; whereas the new, simplified approach is both necessary and sufficient to achieve this objective;</p>	<p>12. Whereas <u>only</u> Community-level rules can ensure homogenous and transparent information that will benefit all consumers in the context of the internal market; whereas the new, simplified approach is both necessary and sufficient to achieve this objective;</p>

W

	<p>11. <u>Whereas, moreover, price transparency is a priority in the run-up to Economic and Monetary Union, and must therefore be significantly improved and arrangements made for its entry into effect in good time for the transition to the single currency;</u></p>	<p>13. <u>Whereas, moreover, price transparency is a priority in the run-up to Economic and Monetary Union, and must therefore be significantly improved and arrangements made for its entry into effect in good time for the transition to the single currency;</u></p>
	<p>12. <u>Whereas introduction of the single currency will be greatly facilitated by providing consumers with simple yardsticks for comparing the prices of products;</u></p>	<p>14. <u>Whereas introduction of the single currency will be greatly facilitated by providing consumers with simple yardsticks for comparing the prices of products;</u></p>
	<p>12a. <u>Whereas, in the transitional period following introduction of the single currency, when prices have to be indicated in both the national and the single currency, three prices shall be given per product;</u></p>	

12

<p>8. Whereas <u>it is necessary to take into account the fact that certain products are customarily sold in quantities different from one kilogramme, one litre, one metre, one square metre or cubic metre</u>; whereas it is thus <u>appropriate to allow Member States to authorize that the unit price refer to a decimal or submultiple of those quantities or to a different single unit of quantity, taking into account the nature of the product and the quantities in which it is customarily sold in the Member State concerned</u>;</p>	<p>13. Whereas <u>there is a need to take into account the fact that certain products are widely and customarily sold in quantities different from the values of the base quantity referred to in the Directive</u>; whereas it is thus <u>advisable to allow Member States, in certain cases, to authorise that the unit price be indicated in relation to the quantity value which custom has enshrined</u>;</p>	<p>15. Whereas <u>there is a need to take into account the fact that certain products are widely and customarily sold in quantities different from the values of the base quantity referred to in the Directive</u>; whereas it is thus <u>advisable to allow Member States, in certain cases, to authorise that the unit price be indicated in relation to the quantity value which custom has enshrined</u>;</p>
<p>9. Whereas the obligation to indicate the unit price <u>may entail an excessive burden for certain small retail businesses under certain circumstances and whereas Member States should therefore be allowed to refrain from applying this obligation in such cases</u>;</p>	<p>14. Whereas <u>Member States must be free to adapt the obligation to indicate the unit price for certain trades of forms of trade, and also to determine that such indication is not necessary for a certain number of products, when it does not provide useful information for consumers</u>;</p>	<p>16. Whereas <u>Member States must be free to adapt the obligation to indicate the unit price for certain trades of forms of trade, and also to determine that such indication is not necessary for a certain number of products, when it does not provide useful information for consumers</u></p>

13

<p>10. Whereas Member States should also remain free to waive the obligation to indicate the unit price in the case of products for which such price indication would not be <u>significant or would be liable to cause confusion, for instance</u> when indication of the quantity is not a relevant particular for price comparison purposes, or when different products are marketed in the same packaging;</p>	<p>15. Whereas Member States should also remain free to waive the obligation to indicate the unit price in the case of products for which such price indication would not be <u>meaningful</u> or would be liable to cause confusion; <u>whereas this is the case notably</u> when indication of the quantity is not a relevant particular for price comparison purposes, or when different products are marketed in the same packaging;</p>	<p>17. Whereas Member States should also remain free to waive the obligation to indicate the unit price in the case of products for which such price indication would not be <u>meaningful</u>; <u>whereas this is the case notably</u> when indication of the quantity is not a relevant particular for price comparison purposes, or when different products are marketed in the same packaging;</p>
<p>11. Whereas in the case of non-food products, Member States, with a view to facilitating application of the mechanism implemented, are free to draw up a list of <u>products or categories of products</u> for which the obligation to indicate the unit price remains applicable;</p>	<p>16. Whereas in the case of non-food products, Member States, with a view to facilitating application of the mechanism implemented, are free to draw up a list of <u>products or categories of products</u> for which the obligation to indicate the unit price remains applicable;</p>	<p>18. Whereas in the case of non-food products, Member States, with a view to facilitating application of the mechanism implemented, shall draw up a list of products for which the obligation to indicate the unit price remains applicable;</p>
	<p>17. Whereas trends in distribution methods must be taken into consideration; whereas solutions must be found to permit optimum information of consumers on product prices at the lowest possible marginal cost;</p>	<p>19. Whereas trends in distribution methods must be taken into consideration; whereas solutions must be found to permit optimum information of consumers on product prices at the lowest possible marginal cost;</p>

m

5

	<p>17a. Whereas it is therefore essential that, before this directive enters into force, the Commission should draw up, in collaboration with national governments and relevant organizations, an accurate statement of the cost of its full implementation to retail businesses, especially in the small and medium-sized undertakings sector;</p>	<p>20. Whereas it is therefore essential that before the application of the mechanism, the Commission should draw up, in cooperation with the governments and competent national bodies, an accurate statement of the total costs of the Directive to retail businesses, especially in the small and medium-sized undertakings sector;</p>
	<p>18. Whereas a variable adaptation period should be provided for depending on the economic operators concerned in order to enable them to make the detailed arrangements for indicating unit prices;</p>	<p>21. Whereas a variable adaptation period should be provided for depending on the economic operators concerned in order to enable them to make the detailed arrangements for indicating unit prices;</p>
<p>13. Whereas particular attention should be paid to small retail businesses; whereas to this end, the Commission should, in its report on the application of this Directive to be presented no later than five years after publication thereof in the Official Journal of the European Communities, take particular account of the experience gleaned in the application of this Directive by small retail businesses, inter alia regarding trends and technological development in selling methods;</p>	<p>19. Whereas particular attention should be paid to the adaptations required in small retail businesses, notably taking into account technological trends and the envisaged timetable for the introduction of the single currency; whereas to this end the Commission shall present an evaluation report on the situation one year before the final deadline for the general application of the mechanism;</p>	<p>22. Whereas particular attention should be paid to the adaptations required in small retail businesses, notably taking into account technological trends and the envisaged timetable for the introduction of the single currency; whereas to this end the Commission shall present an evaluation report on the situation two years before the final deadline for the general application of the mechanism;</p>

26

<p>Article 1</p> <p>The purpose of this Directive is to stipulate indication of the selling price and the price per unit of measurement of products offered by traders to consumers <u>in order to improve consumer information and to facilitate comparison of prices.</u></p>	<p>The purpose of this Directive is to stipulate indication of the selling price and the price per unit of measurement of products offered by traders to <u>final consumers, so as to improve consumer information and to allow easy comparison of prices, wherever such comparison is relevant.</u></p>	<p>1. The purpose of this Directive is to stipulate indication of the selling price and the price per unit of measurement of products offered by traders to <u>final consumers, so as to improve consumer information and to allow easy comparison of prices, wherever such comparison is relevant.</u></p>
	<p>1a. <u>This directive shall not apply to:</u></p> <ul style="list-style-type: none">- <u>foodstuffs sold in hotels, cafes, restaurants, public houses, cinemas and theatres, educational establishments, recreational facilities, staff shops in the work place, hospitals, canteens and similar establishments</u>- <u>mobile vendors</u>- <u>products sold on transport systems</u>- <u>products sold in vending machines</u>- <u>sales by auction</u>- <u>private sales.</u>	<p>2. <u>The following are excluded from this directive:</u></p> <ul style="list-style-type: none">- <u>auctions,</u>- <u>private sales.</u>
<p>Article 2</p> <p>For the purposes of this Directive</p>	<p>For the purposes of this Directive:</p>	<p>For the purposes of this Directive:</p>

<p>(a) "selling price" <u>shall mean</u> the price for a <u>unit of the product or a given quantity of the product;</u></p>	<p>a) "selling price" <u>means</u> the <u>final price</u> for a given quantity of the product, <u>including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition;</u></p>	<p>a) "selling price" <u>means</u> the <u>final price</u> for a given quantity of the product, <u>including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition;</u></p>
<p>(b) "unit price" <u>shall mean</u> the price for one kilogramme, one litre, one metre, one square metre, or cubic metre of the product;</p>	<p>b) "unit price" <u>means</u> the <u>final price, including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition,</u> for one kilogram, one litre, one metre, one square metre or cubic metre of the product <u>or any other quantity which is widely and customarily used in the Member States in the marketing of specific products;</u></p>	<p>b) "unit price" <u>means</u> the <u>final price, including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition,</u> for one kilogram, one litre, one metre, one square metre, one cubic metre or one item of the product <u>or any other quantity which is widely and customarily used in the Member States in the marketing of specific products;</u></p>
<p>(c) "products sold in bulk" <u>shall mean</u> products which are not pre-packaged and are measured in the presence of the consumer;</p>	<p>c) "products sold in bulk" <u>means</u> products which are not pre-packaged and/or are not measured <u>or weighed</u> except in the presence of the final consumer.</p>	<p>c) "products sold in bulk" <u>means</u> products which are not pre-packaged and/or are not measured <u>or weighed</u> except in the presence of the final consumer.</p>
	<p>ca) 'retail' <u>means</u> the <u>commercial sale of goods at sales outlets which are staffed and freely accessible to the public, or by mail order.</u></p>	

20

<p><u>(d) "trader" shall mean any natural or legal person who sells or offers for sale products which fall within his professional or commercial activity.</u></p>		
<p><u>(e) "consumer" shall mean any natural person who buys a product for purposes that do not fall within the sphere of his professional or commercial activity.</u></p>		
<p>Article 3</p> <p>1. The selling price and the unit price shall be indicated for all products referred to in Article 1, the indication of the unit price being subject to the provisions of Article <u>7</u>.</p>	<p>1. The selling price and the unit price shall be indicated for all products referred to in Article 1, subject to the provisions of Article <u>6</u>.</p>	<p>1. The selling price and the unit price shall be indicated for all products referred to in Article 1, subject to the provisions of Article <u>6</u>.</p>

18

18

		<p>2. <u>The obligation to indicate the price per unit measurement shall not apply to:</u></p> <ul style="list-style-type: none">- <u>foodstuffs sold in hotels, cafes, restaurants, public houses, cinemas and theatres, teaching institutions, leisure centres, staff shops, hospitals, canteens and similar establishments;</u>- <u>itinerant traders;</u>- <u>products sold in means of transport;</u>- <u>products sold in vending machines.</u>
<p>2. <u>Member States may decide not to apply paragraph 1 to:</u></p> <ul style="list-style-type: none">- <u>products supplied in the course of the provision of a service.</u>- <u>sales by auction and sales of works of art and antiques.</u>		
<p>3. For products sold in bulk, only the unit price must be indicated.</p>	<p>3. For products sold in bulk only the unit price must be indicated <u>for all products referred to in Article 1.</u></p>	<p>3. For products sold in bulk only the unit price must be indicated <u>for all products referred to in Article 1.</u></p>

<p>4. <u>Any advertisement which mentions the selling price of products referred to in Article 1 shall also indicate the unit price subject to Article 7.</u></p>	<p>2a. <u>The provisions of paragraphs 1 and 2 shall also apply to any type of advertising in which a price is indicated.</u></p>	<p>4. <u>The above paragraphs shall apply also to any type of advertising in which a price is mentioned.</u></p>
<p>Article 4</p> <p>1. The selling price and the unit price must be unambiguous, easily identifiable and clearly legible.</p>	<p>1. The selling price and the unit price must be unambiguous, easily identifiable and clearly legible.</p>	<p>1. The selling price and the unit price must be unambiguous, easily identifiable and clearly legible.</p>
<p>2. <u>The selling price and the unit price shall relate to the final price of the product under the conditions laid down by the Member States.</u></p>	<p>2. Deleted</p>	<p>2. Deleted</p>
<p>3. The unit price shall refer to a quantity declared in accordance with national and Community provisions.</p>	<p>3. The unit price shall refer to the quantity declared, in accordance with national and Community provisions.</p>	<p>3. The unit price shall refer to the quantity declared, in accordance with national and Community provisions.</p>
<p><u>Where national or Community provisions require the indication of the net weight and the net drained weight for certain prepacked products, it shall be sufficient to indicate the unit price of the net drained weight.</u></p>		

028

<p>Article 5</p> <p><u>Member States shall lay down detailed rules (e.g. marking or labelling) for indicating prices.</u></p>	<p><u>The selling price and the unit price shall be indicated on the product offered for sale or on the shelf where the product is located, in such a manner as to be clearly legible for the consumer. In small retail businesses the prices may also be indicated on a price list displayed in a prominent place in the shop.</u></p>	<p><u>Member States shall lay down the detailed rules for indicating prices, notably as regards prices applying to quantities that are widely and customarily used, referred to in Article 2(b).</u></p>
<p>Article 6</p> <p><u>Member States may stipulate that the unit price shall refer to a decimal multiple or submultiple of the quantities referred to in Article (2b) or to a single unit of quantity which is different from those referred to in Article 2(b), taking into account the nature of the product and the quantities in which it is customarily sold in the Member State concerned.</u></p>		

28

	<p><u>Article 5a</u></p> <p><u>In the transitional period following introduction of the single currency, the following three prices shall be indicated:</u></p> <p><u>-selling price in the national currency;</u> <u>- selling price in the single currency;</u> <u>- unit price in the single currency</u></p>	
<p>Article 7</p> <p>1. Member States may waive the obligation to indicate the unit price of products for which such indication would <u>not be significant</u> because of the products' nature or purpose <u>or would be liable to create confusion.</u></p>	<p>Article 6</p> <p>1. Member States may waive the obligation to indicate the unit price of products for which such indication <u>is not meaningful</u> because of the products' nature or purpose.</p>	<p>Article 6</p> <p>1. Member States may waive the obligation to indicate the unit price of products for which such indication <u>is not meaningful</u> because of the products' nature or purpose.</p>
<p>2. <u>Member States may waive the obligation to indicate the unit price of product for which indication of length, mass, surface or volume is not required by national or Community provisions. This applies in particular to products sold by individual item or singly.</u></p>	<p><u>2. Deleted</u></p>	<p><u>2. Deleted</u></p>

22

<p>3. <u>With a view to implementing paragraph 1 and 2</u>, the Member States <u>may</u>, in the case of non-food products, establish a list of the products <u>or product categories</u> to which the obligation to indicate the unit price shall remain applicable.</p>	<p>3. The Member States <u>shall</u>, in the case of non-food products, establish a list of the products to which the obligation to indicate the unit price shall remain applicable. <u>This list shall be drawn up in a practical and uniform way by using the CCT number for each product. The Commission shall provide a framework so that the lists in the various Member States correspond closely in terms of content.</u></p>	<p>3. In the case of non-food products, the Member States <u>shall</u> establish a list of the products to which the obligation to indicate the unit price shall remain applicable. <u>This list shall be drawn up in a practical way by using a common nomenclature. The Commission shall provide a framework so that the lists in the various Member States are as consistent as possible in terms of content.</u></p>
	<p><u>3a. Where a sales outlet makes a temporary special offer or engages in sales promotion in respect of one or more products (e.g. 3 for the price of 2), it shall be sufficient to indicate the three prices already provided for by Directive. The display of any other prices for information purposes shall be optional.</u></p>	
	<p><u>3b. The Commission and Member States are called upon to provide funding to train experts employed by retail businesses to explain prices to consumers for the practical application of the European single currency.</u></p>	

23

h8

<p>Article 8</p> <p>Member States may provide that the obligation to indicate the unit price of products other than those <u>sold in bulk</u>, which are sold in certain small retail businesses, shall <u>not apply, subject to Article 13, if the obligation to indicate the unit price would constitute an excessive burden for these businesses because of the number of products on sale, the sales area, the nature of the place of sale, specific conditions of sale where the product is not directly accessible for the consumer or certain forms of business, such as certain types of itinerant trade.</u></p>	<p>Article 7</p> <p>Member States may provide that the obligation to indicate the unit price of products other than those <u>marketed in bulk</u> which are sold by certain small retail businesses shall <u>apply at the latest six years after publication of this Directive, if the obligation to indicate the unit price from the time provided for in Article 10 (1).</u></p> <p>– <u>is likely</u> to constitute an excessive burden for these businesses</p> <p>or</p> <p>– <u>is impracticable because of the number of products on sale, the sales area, the nature of the place of sale or specific conditions applicable to certain forms of business, such as certain types of itinerant trade.</u></p>	<p>Article 7</p> <p>Members States may provide that the obligation to indicate the unit price of products other than those <u>marketed in bulk</u> which are sold by certain small retail businesses shall <u>apply a the latest by six years after publication of this Directive, if the obligation to indicate the unit price by the date provided for in Article 10 (1).</u></p> <p>– <u>is likely</u> to constitute an excessive burden for these businesses</p> <p>or</p> <p>– <u>is impracticable because of the number of products on sale, the sales area, the nature of the place of sale or specific conditions applicable to certain forms of business.</u></p>
---	---	--

	<p><u>Article 7a</u></p> <p><u>The Commission shall take action to grant financial aid to small retailers for:</u></p> <ul style="list-style-type: none"> <u>- information campaigns for small retailers;</u> <u>- compiling and publishing information brochures in cooperation with the target group.</u> 	
<p>Article 9</p> <p>Member States shall lay down penalties for infringements of national provisions adopted in application of this Directive, and shall take all necessary measures to ensure that these are enforced. These penalties must be effective, proportionate and dissuasive.</p>	<p>Article 8</p> <p>Member States shall lay down penalties for infringements of national provisions adopted in application of this Directive, and shall take all necessary measures to ensure that these are enforced. These penalties must be effective, proportionate and dissuasive.</p>	<p>Article 8</p> <p>Member States shall lay down penalties for infringements of national provisions adopted in application of this Directive, and shall take all necessary measures to ensure that these are enforced. These penalties must be effective, proportionate and dissuasive.</p>

25

<p>Article 10</p> <p><u>1. The transition period of nine years mentioned in Article 1 of Directive 95/58/EC of the European Parliament and of the Council of 29 November 1995 amending Directive 79/581/EEC on consumer protection in the indication of the prices of foodstuffs and Directive 88/314/EEC on consumer protection in the indication of the prices of non-food products⁵ shall be extended until the date referred to in Article 12(1) of this Directive.</u></p>	<p>Article 9</p> <p><u>1. In Article 1 of European Parliament and Council Directive 95/58/EEC of 29 November 1995, the words 'a period of nine years' shall be replaced with the words 'a period expiring at the latest time indicated by article 10(1) of Directive 96/.../EC'.</u></p>	<p>Article 9</p> <p><u>1. In Article 10, first sentence, first line of the Council Directive 79/581/EEC of 19 June 1979, and in the article 10, first sentence, first line of the Council Directive 88/314/CEE of 7 June 1988, the words "a period of 9 years" shall be replaced by the words "a period expiring on the date referred to in Article 10 (1) of Directive 96/...)EC".</u></p>
<p>2. Directives 79/581/EEC and 88/314/EEC shall be repealed with effect from the date referred to in Article 12(1) of this Directive.</p>	<p>2. <u>Council Directive 79/581/EEC of 19 June 1979, as amended by Council Directive 88/315/EEC of 7 June 1988, Council Directive 88/314/EEC of 7 June 1988 and European Parliament and Council Directive 95/58/EEC of 29 November 1995 shall be repealed with effect from the latest time indicated by Article 10 (1).</u></p>	<p>2. <u>Council Directive 79/581/EEC of 19 June 1979, as amended by Council Directive 88/315/EEC of 7 June 1988, Council Directive 88/314/EEC of 7 June 1988 and the European Parliament and Council Directive 95/58/EC of 29 November 1995⁶ shall be repealed with effect from the date referred to in Article 10 (1).</u></p>

96

⁵ OJ No L 299, 12.12.1995, P. 11

⁶ OJ No L 299, 12.12.1995, P. 11.

<p><u>Article 11</u></p> <p><u>This Directive shall not prevent Member States from adopting or maintaining provisions which are more favourable as regards consumer information and comparison of prices, without prejudice to their obligations under the Treaty.</u></p>		
<p>Article 12</p> <p>1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive <u>not later than</u>*. They shall forthwith inform the Commission thereof. The provisions adopted shall be applicable <u>as of that date.</u></p>	<p>Article 10</p> <p>1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive <u>two years after publication of the Directive at the latest.</u> They shall forthwith inform the Commission thereof. The provisions adopted shall be applicable <u>two years after publication of this Directive.</u></p>	<p>Article 10</p> <p>1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive <u>two years after publication of the Directive at the latest.</u> They shall forthwith inform the Commission thereof. The provisions adopted shall be applicable <u>two years after application of the Directive.</u></p>
<p>When Member States adopt these <u>measures</u>, they shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The <u>methods of making</u> such reference shall be <u>laid down</u> by Member States.</p>	<p>2. When Member States adopt these <u>provisions</u>, these shall contain a reference to this Directive or shall be accompanied by such a reference at the time of their official publication. The <u>procedure for</u> such reference shall be <u>adopted</u> by the Member States.</p>	<p>2. When Member States adopt these <u>provisions</u>, these shall contain a reference to this Directive or shall be accompanied by such a reference at the time of their official publication. The <u>procedure for</u> such reference shall be <u>adopted</u> by the Member States.</p>

24

*24 months following the date of publication in the Official Journal of the European Communities

<p>2. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field governed by this Directive.</p>	<p>3. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field governed by this Directive. <u>In particular, they shall indicate the rules adopted pursuant to Articles 5, 6 and 7, and any later amendments thereto.</u></p>	<p>3. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field governed by this Directive. <u>In particular, they shall indicate the rules adopted pursuant to Articles 5, 6 and 7, and any later amendments thereto.</u></p>
	<p>4. <u>Member States shall communicate the provisions governing the penalties provided for in Article 8, and any later amendments thereto.</u></p>	<p>4. <u>Member States shall communicate the provisions governing the penalties provided for in Article 8, and any later amendments thereto.</u></p>
<p>Article 13</p> <p>The Commission shall, not more than <u>three years</u> after the date referred to in Article 12(1), submit to the European Parliament and the Council <u>a comprehensive report on the application of this Directive, in particular on the application of Article 8, accompanied, if appropriate, by a proposal.</u></p>	<p>Article 11</p> <p>1. The Commission shall, not more than <u>one year</u> after the date referred to in Article 10(1), submit to the European Parliament and the Council <u>an initial report on the application of the provisions of Article 7. After two years the Commission shall submit a second report.</u></p>	<p>Article 11</p> <p>1. The Commission shall, not more than <u>two years</u> after the date referred to in Article 10(1), submit to the European Parliament and the Council <u>an initial report on the application of the provisions of Article 7.</u></p>
<p><u>The European Parliament and the Council shall, on this basis, reexamine the provisions of Article 8.</u></p>	<p>2. <u>The Commission shall, not more than four years after the date referred to in Article 10(1), submit to the European Parliament and the Council a global report on the application of this Directive.</u></p>	<p>2. <u>The Commission shall, not more than four years after the date referred to in Article 10(1), submit to the European Parliament and the Council a global report on the application of this Directive.</u></p>

28

<p>Article 14</p> <p><u>This Directive shall enter into force on the day of its publication in the Official Journal of the European Communities.</u></p>		
<p>Article 15</p> <p>This Directive is addressed to the Member States.</p>	<p>This Directive is addressed to the Member States.</p>	<p>This Directive is addressed to the Member States.</p>

88