

# COMMISSION OF THE EUROPEAN COMMUNITIES

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## CONSUMER POLICY

### SECOND COMMISSION THREE-YEAR ACTION PLAN

1993-1995

**Placing the single market at  
the service of European consumers**

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INTRODUCTION

- (1) The removal of the internal frontiers and the completion, since 1 January 1993, of the large market, in accordance with the objectives of the Single European Act, has opened up a new phase of Community action. This is the outcome of an ambitious legislative programme implemented by the Community in order to eliminate a very great number of technical, legal and fiscal obstacles to trade between the Member States.
  
- (2) For the citizen-consumer in the Community, numerous measures have been adopted in the context of completing the internal market which constitute advantages of a direct or indirect kind. Liberalisation of transfrontier shopping and the resulting growth in competition, the tax cuts introduced in certain Member States through the harmonisation of indirect taxation, the removal of customs checks on the luggage of travellers changing within the Community and the abolition of formalities for people moving residence from one Member State to another or for certain postal parcels are all examples of substantial progress for the European consumer.
  
- (3) The consumer has also benefited from the progress made by the Community in the domains of transport and the environment. In the air transport sector in particular, the "third package" adopted by the Council in July 1992 has liberalised a hitherto closed market,

obliging airlines to become more efficient and, ultimately, to cut their fares, while maintaining or improving the service provided to passengers. The 1989 Regulation on a code of conduct for computerised reservation systems has undeniably contributed to protecting consumer interests. Likewise, consumers will from now on enjoy new rights, including cash compensation, thanks to the 1991 Regulation establishing common rules for a denied-boarding compensation system in scheduled air transport. Finally, the opening of the national markets to non-residents in the domain of road and sea transport will offer consumers a wider choice of services at a lower price.

- (4) There is also a very close link between consumer policy and environment policy. The link works both ways. To be fully effective, the objectives of environmental protection require a change in consumer behaviour so that resources are rationally used and to fight against waste. The 5th Programme of Community action "towards sustainable development" aims to integrate this dimension into sectoral policies and requires that production and consumption follow sustainable lives, depending on the partnership and shared responsibility between the states, the economic actors and the public<sup>(1)</sup>. Conversely such environmental measures undeniably benefit consumers by improving the quality of life and the safety of industrial plants.

Environmental considerations must be reflected in consumer policy just as environmental policies must be focussed on consumers and producers.

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(1) Document COM(92) 23 final - Vol II - paragraphs 3.2, 3.3, 4.1, 7.4 and 7.5

- (5) Other Community policies also contribute to improving the consumer's position in the large market. Hence the Commission's active competition policy in regard to cartels, dominant positions, mergers and public aid. Free competition is the groundrule which, in an open market economy, permits the allocation of production factors in an optimum manner, to the benefit of consumers; it is consumers who are in effect the final recipients of all the goods and services provided by firms and public authorities.
- (6) The Community's activities in the field of social affairs and cohesion also benefit the consumer. Consumer policy, by contributing significantly to the successful functioning of the internal market and by emphasising the greatest possible freedom of choice in regard to goods and services, improves the Community's economic potential and employment perspectives. Growing attention to what consumers expect and can accept in regard to goods and services will improve the competitiveness of producers in the Community, thus enhancing their position in the external markets.

- (7) The interdependence between consumer policy and the other Community policies thus highlights the very complexity of the notion of the consumer. Consumers are natural or legal persons who have a greater or lesser degree of purchasing power and who procure or use goods or services for non-commercial purposes. A good linkage between the protection of consumer interests and other policies regulating and accompanying the internal market would thus appear to be an essential requirement at Community level.
- (8) All in all it is essential that the advent and deepening of the large European market make itself felt in consumers' everyday life in the shape of tangible benefits. It is only thus that the internal market will win their confidence and, finally, succeed. Hence the first objective of the second three-year action plan in favour of consumers, which follows on the first action plan implemented by the Commission between 1990 and 1993 and which will cover the years 1993 to 1995, is to place the internal market at the service of European consumers in a real sense. The objective is also to exploit the other Community policies from the perspective of consumer interests.
- (9) The fact remains that in numerous specific domains, such as access to justice, notably in the case of "minor disputes" involving consumers, transfrontier payments, guarantees and labelling, Europe of the consumer has yet to be realised. Despite the progress already made, at the initiative of the Commission and consumer associations, consumer information remains inadequate. In order adequately to protect the health, safety and economic interests of consumers, new measures are imperative.

(10) The second three-year action plan belongs in the context of the implementation of the Maastricht Treaty on European Union. In effect the new Treaty has raised consumer protection to the rank of a genuine Community policy. Article 3(s) thus establishes as the objective of Community action "a contribution to the strengthening of consumer protection". Article 129a specifies that:  
"the Community shall contribute to the attainment of a high level of consumer protection through:

- a) measures adopted pursuant to Article 100a in the context of the completion of the internal market;
- b) specific action which supports and supplements the policy pursued by the Member States to protect the health, safety and economic interests of consumers and to provide adequate information to consumers."

By conferring on the Community competences which are both wider and better defined in this area, the Maastricht Treaty opens up a new domain of Community action. The Commission intends to exploit the full potential of the new provisions. Once the ratification procedures have been concluded it will initiate a discussion on this subject. The exercise will be conducted taking account of the principle of subsidiarity, interpreted in a positive manner, i.e. in such a way as to ensure that an optimum result is obtained by Community action.

(11) The second three-year action plan focuses on two basic approaches:

- consolidation of Community legislation
  
- selective priorities to raise the level of consumer protection and to make consumers more aware of their rights.

I Consolidation of Community legislation in favour of consumers

(12) Community action in favour of consumers was implemented in the framework of a series of programmes followed by a plan. The first programme was launched in 1975, the second in 1981, while the 1985 programme provided a new impetus. Then came the first action plan which covered the 1990-1992 period. These programmes and the plan have tried to introduce a wide range of initiatives in all domains relevant to consumers. The outcome has been the establishment of a solid legal base, constituting a true corpus of Community consumer law. The fact remains that to place the single market at the service of consumers and to prepare for the implementation of the Maastricht Treaty in a real sense, the Community must thus consolidate the existing body of law, notably by ensuring the implementation of the texts in force, by ensuring adoption by the Council of the texts proposed by the Commission on which the Council has not yet reached agreement, and by preparing new measures.

**A. The first action plan – an appraisal**

(13) The adoption of the first action plan in favour of consumers and the creation within the Commission of a Consumer Policy Service have helped raise awareness of the importance of the consumer dimension at Community level and in the context of preparing the internal market. Most of the Commission's proposals were adopted unanimously by the Council, even when this was not necessary, and despite occasionally arduous negotiations. Indeed it was possible to overcome a certain confrontational style opposing the interests of consumers to those of suppliers of goods or services. In most cases dialogue and consultation paved the way to equitable solutions even to the most formidable problems. The European Parliament played a consistently supportive role. By taking into consideration consumer interests in its deliberations and by ensuring that the necessary resources were made available, the European Parliament has actively contributed to developing Community consumer policy.

(14) Thus, during the 1990–1992 period the following instruments were adopted:

- Council Directive 92/59/EEC of 29 June 1992 on general product safety<sup>(1)</sup>.

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(1) OJ L 228 of 11.08.1992, p. 24

- Several directives on the approximation of Member State legislation concerning labelling and presentation of foodstuffs intended for the final consumer, and notably Directives 90/406/EEC of 24 September 1990, 91/72/EEC of 16 January 1991, 91/238/EEC of 22 April 1991, 92/11/EEC of 22 April 1992.
- Council Directive 90/314/EEC of 13 June 1990<sup>(2)</sup> on package travel, package holidays and package tours.
- Council Directive 90/88/EEC of 22 February 1990 amending Directive 87/102/EEC on the approximation of the laws, regulations and administrative provisions of the Member States concerning consumer credit<sup>(3)</sup>.

Moreover, since the beginning of 1993 the following proposals have been adopted by the Council:

- Sixth amendment to Cosmetics Directive 76/768/EEC.
- Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts<sup>(4)</sup>

Moreover, a series of proposals have been presented by the Commission which have not yet been adopted by the Council.

- Proposal for a Council Directive on the protection of consumers in respect of contracts negotiated at a distance (distance selling)<sup>(5)</sup>.

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(2) OJ No L 158, 23.6.1990, p. 59

(3) OJ No L 61, 10.3.1990, p. 14

(4) OJ No L 95, 21.4.93, p. 29

(5) OJ No C 156, 23.6.92, p. 14

- Proposal for a Council Directive on the liability of suppliers of services<sup>(6)</sup>. (Currently being examined following the conclusions of the European Council in Edinburgh.)
- Proposal for a Council Directive concerning comparative advertising and amending Directive 84/450/EEC concerning misleading advertising<sup>(7)</sup>.
- Proposal for a Council Directive concerning the protection of purchasers in contracts relating to the utilisation of immovable property on a time share basis<sup>(8)</sup>.

Adoption of these different proposals - possibly revised in the light of the conclusions of the European Council in Edinburgh - is the first priority. Thus these directives will complete the existing foundation of Community consumer law.

The first action plan also launched a series of information and education measures which are an indispensable complement to regulatory and legislative measures. The objective pursued in this domain is not only to encourage consumers to exploit to the full the new opportunities resulting from the construction of the internal market, but also to enable consumers to contribute actively to the maintenance of competitive markets.

During the period of the first three-year plan (1990-1992), work on consumer information focused mainly on activities involving both sides of industry, together with consumer organisations or the media.

(6) OJ No C 12, 18.1.91, p. 8

(7) OJ No C 180, 18.7.91, p. 14

(8) OJ No C 222, 29.8.92, p. 5

The actions included:

- creating transfrontier centres for consumer information and counselling
- comparative tests, including the publication of a first shopping guide with a single-market perspective
- encouragement of TV programme producers to treat consumer issues and above all to take the Community dimension into account
- preparation of information material for distribution via the media
- dissemination of basic information to relay organisations (e.g. Inventories of consumer organisations: INFO-C Bulletin).

As regards access to justice, the Commission has encouraged the creation of pilot projects, and notably the testing, at national level, of simplified procedures for settling consumer disputes.

#### **B. Effective application of Community consumer law**

(15) Advances in consumer protection are measured not only in terms of the number of texts adopted or in the process of being adopted. It is also imperative that the measures taken at Community level be perceived by consumers as providing new and effective protection. Consequently, it is important that consumer rights deriving from the Community measures are actually conferred to consumers at national level and that consumers are able to make full use of them. This means close surveillance both of the transposition and implementation of Community law.

(16) On 1 January 1993 a total of 42 directives concerning consumer policy should already have been transposed by the Member States. The average transposition rate is 94%. However, this average conceals large disparities and reflects the extent to which national implementing measures have been communicated without reference to the actual state of application of these measures.

In this connection the Commission emphasises the large number of complaints it receives in this domain. For example, the Commission is glad to note that in regard to misleading advertising (Directive 84/450/EEC), all the Member States have at least a legal instrument. But this satisfaction is tempered in the light of the complaints addressed to the Commission, which reveal difficulties in applying the provisions in cases of transfrontier practices. The Commission is continuing to study in detail the remaining obstacles with a view to proposing the most appropriate solutions.

The particular importance for consumers of the recently adopted directives, which will enter into effect during the next two years, shows that it is essential to foster close cooperation with the national authorities to ensure their effective transposition into national law within the specified time limits.

(17) An examination by sector shows that there is much to be desired as regards cosmetic products, package holidays and consumer credit (covered respectively by Directives 76/768/EEC amended, 90/314/EEC and 87/102/EEC amended). These three examples show that problems may persist after the deadline laid down for transposition. However, these three domains have a particularly high profile for consumers.

(18) Thus the Commission must continue to devote particular attention to the process of implementation by the Member States of the rules of Community law. This will involve use of the traditional instruments foreseen in the Treaty, but also an endeavour to ensure better concertation and genuine partnership with the national authorities on these legal issues. The Commission's recent working document "Reinforcing the effectiveness of the internal market - on a strategic programme on the internal market"<sup>(8)</sup> itemises the Commission's intentions in this regard.

(19) Concertation of this kind should be particularly fruitful in seeking optimal application of the rules, whether they consist of administrative acts (as in the case of toy safety) or case law (as in the case of misleading advertising), notably when there are considerable differences between one Member State and another. It is in this spirit that the Commission will endeavour to facilitate the dissemination of national experience and lay down precise objectives to be achieved in this area as the need arises.

### C. The new actions

(20) The Commission will propose new legislative measures or recourse to binding instruments, taking into account the principle of subsidiarity, wherever the need is felt for concrete action on the part of the Community.

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(8) Document COM(93)256 of 2 June 1993

For example, in the domain of consumer safety, the Commission in early 1993 presented to the Council a proposal for a Decision introducing an Information system on home and leisure accidents (EHLASS)<sup>(10)</sup>. Moreover, the entry into effect as of 29 June 1994 of Council Directive 92/59/EEC of 29 June 1992 on general product safety<sup>(11)</sup> will be very closely monitored by the Commission. In this respect the Commission will work towards the establishment of real and effective administrative cooperation between the monitoring authorities. If necessary it will draft appropriate proposals in this regard. The Directive on general product safety is an appropriate response to the safety needs of consumers in regard to products, provided its implementation pays close attention to the objective pursued.

(21) The concerns and expectations of consumers as regards the safety of services they purchase is well known. Here too the Commission will focus its attention on health and safety. In this perspective the Commission will examine the creation of a general legal framework providing for minimum provisions on the liability of suppliers of services. The intention is to re-examine together with the Member States the associated hazards and pinpoint ways of reducing them and the measures required to ensure adequate protection.

(22) Despite the existence of a complete Community framework of horizontal and vertical legislation on product safety, constant vigilance will be required to tackle any new difficulties which may emerge in the protection of consumer health and safety. Every new

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(10) Document COM(93)18 final of 26 January 1993

(11) OJ No L 228, 11.8.92, p. 24

situation requiring a review of existing rules or the adoption of additional measures will provoke a rapid response on the part of the Commission. The adaptation of individual directives to technical progress will be pursued in order to ensure that all needed improvements are made and that the technical standards are adjusted where necessary. For example, this will apply to the adaption to technical progress of Directive 76/768/EEC.

(23) In the domain of safety of child-care articles, there has been a recent call for Community intervention from consumer organisations, with the backing of the industry concerned. The Commission will examine the feasibility of action in this area, in the light of the subsidiarity principle.

Before the end of 1993 the Commission will also present a proposal for a directive on claims made in the labelling of foodstuffs.

## II Selective priorities for raising the level of consumer protection

The priorities of the second plan of action include consumer information and improved concertation. Two other fields of activity also deserve particular attention: access to justice and financial services.

**A. Strengthening consumer information**

(24) The report presented on 26 October 1992 to the Commission by the High Level Group on the operation of the Internal market, chaired by Mr Sutherland, and entitled "The internal market after 1992 - meeting the challenge", contains a list of recommendations intended mainly as a response to consumer uncertainty. The report emphasises the need for an information strategy and highlights the problems of access to justice. The Commission will pay great attention to these recommendations in its future action in the field of consumer protection.

Similarly, on 5 May 1993, the Commission adopted a Communication entitled "For better coordination and strengthening of information and communication policy on the internal market", whose objective is to ensure greater efficiency in the dissemination of information on the internal market. This measure is based on the principle of improved coordination between the Commission's various instruments and services, and also on the principle of targeting this information to broad categories of citizens. In this connection the document expressly mentions consumers as a target group for the measures to be taken.

(25) Information is essential if the consumer is to enjoy the advantages of the single market. Generally speaking, freedom of choice cannot be effective if market conditions are obscure and if available information has not been disseminated. Lack of information puts the

consumer at a disadvantage vis-à-vis suppliers and restricts competition. The attention consumer associations pay to information illustrates its importance, and this is also the Commission's perspective.

- (26) Measures already undertaken in the field of information at sales outlets on the technical characteristics of products will be continued and intensified. Following the Council Resolution of 5 April 1993 on future action on the labelling of products in the interest of the consumer, the Commission will undertake a series of measures designed to implement and ensure good informative labelling. The method pursued will be to bring representatives of suppliers and consumers closer together. The programme will attempt to reach a consensus on the labelling requirements on a category by category basis and to ensure the widest possible use of agreed solutions by all market operators. It is also necessary to strengthen consumer information so that the consumer can choose products while being aware of their effects on the environment.

In this context the proposal for a Resolution of the Council of the European Communities on a Community programme of policy and action in relation to the environment and sustainable development, COM(92) 23 Final, volume II, p. 68 underlines that "The individual, as a consumer, can make a fully informed and rational choice only if the product information with which he/she is provided covers all relevant aspects such as performance, reliability, energy-

efficiency, durability, running costs, etc., and if this information is given in a neutral form, supported by effective and dependable guarantees". Council Regulation 880/92 on a Community eco-label award scheme will contribute to this.

(27) Moreover, the Commission-backed price surveys constitute an invaluable source of information. Comparative tests have also proved useful, as is shown by the positive way consumers have responded. Actions undertaken to ensure media coverage of consumer problems, notably at Community level, also have a positive impact. Moreover, information on Community developments in the consumer domain supplied directly by the Commission to relay organisations (consumer organisations, consumer institutes, information centres, media), must continue to be developed so as to consolidate the links between these organisations. Likewise, Commission support for consumer organisations as regards their training programmes for adults and for young consumers and schoolchildren, notably by furnishing teaching aids, should also be enhanced.

(28) Moreover, as of 1993 the Commission intends realising a new initiative involving the publication of a European guide for consumers in the large market and to start publishing sectoral or national guides connected with the completion of the internal market in partnership with the consumer associations concerned. The aim is to produce a guide which will be of the greatest possible use to the European consumer in the single market. The need for such a guide

emerges clearly from the success of publications already launched by numerous institutions or associations at local or regional level. The guide should be disseminated as widely as possible within the Community, notably via relay organisations, including the consumer associational network and the consumer information centres.

- (29) The consumer transfrontier information centres have proved to be a very successful venture. These centres are located in frontier regions and their task is to provide information on offers, prices, legislation in force and all other practical information concerning the region, i.e. on both sides of the frontier. These centres are run by public or private sector agencies with experience in consumer affairs and with the Commission's assistance. Close cooperation with other organisations will be encouraged. The Commission gives the necessary impetus for start-up and at this stage shoulders half the operating costs up to a specified ceiling. The first phase envisages the creation of ten centres; six have already been created at Lille, Luxembourg, Barcelona, Gronau, Aix-la-Chapelle/Eupen/Heerlen, and Vale do Ave. Four other centres are due to open in 1993 at Marseilles-Turin, Flensburg, Kehl and Vitoria. Naturally, these ten centres do not cover all the needs of the frontier regions. Consequently, the Commission intends extending the venture by creating new centres, giving priority as before to frontier zones. The activity of these centres will be enhanced in the context of a new and consistent Commission policy vis-à-vis all existing networks in the Community, to be set up in the near future, following the

adoption by the Commission on 30 June of its new information and communication strategy. This policy will be based on the definition of a package of rights and duties of the various networks and relays which the Commission supports. The objective is to enhance synergy between the different participants in the domain of information of a Community nature.

In 1995 the Commission will draw up an evaluation report on the basis of the experience gained in these transfrontier information centres.

- (30) These initiatives need to be backed by media activities to sensitise consumers to their new rights in the large market. These activities belong in the context of the recommendations contained in the Sutherland report and the abovementioned Information and Communication Strategy concerning better information for Community citizens. One particular point that merits study - possibly together with the Commission's offices in the Member States - is the potential role of audiovisual techniques in supporting these activities.

#### **B. Enhancing and expanding concertation**

- (31) Since 1989 the Consumers' Consultative Council has been the forum for consumer organisations to formulate opinions on all problems relating to consumer information and protection, either at the request of the Commission or at its own initiative. The numerous

opinions that have been delivered show the utility of this institution. The Commission intends to maintain this structure and to enhance its effectiveness.

(32) However, the way the CCC is currently organised confines it to a purely consultative role. Experience in many Member States shows that the value of institutions of this kind is further enhanced when they constitute genuine concertation bodies casting as wide a net as possible.

(33) Strengthening of concertation could imply in particular a more appropriate representation of the various consumer trends. Moreover, the concertation should, in accordance with procedures to be determined, be extended to the productive sector. It is important to ensure direct involvement of firms and their representatives at Community level in defining guidelines in the field of consumer protection. Such an approach could help avoid or mollify disagreements or indeed clashes which arise during the decision-making process and sometimes delay the entry into effect of the Community initiatives.

(34) In spring 1993 the member of the Commission responsible for consumer policy initiated consultations, notably with European representatives of consumer associations, on the principles for reforming the Consumers' Consultative Council on which the partners

concerned could come to agreement. The objective is to draft a reform proposal by the end of 1993.

(35) In the Member States the national organisations are the partners who make concertation with consumers possible. Thus strengthening of concertation should also be sought by supporting the national consumer organisations. The endeavour should focus on countries where the organisations are less structured because they have only evolved recently. The Commission will thus continue to provide active assistance to organisations in Ireland and the southern Member States, which are already receiving special treatment.

C. Furthering access to justice and the settlement of disputes

(36) The Sutherland Report emphasises the importance of access to justice for the operation of an internal market that is responsive to consumers' and producers' needs. The report points out that the differences in legal cultures between the Member States make harmonisation of national civil law hard to envisage but that the operators will increasingly need access to justice in the other Member States. It emphasises the increase in the number of disputes of a transfrontier nature involving consumers. The report recommends examining conditions of access to justice in the Community and suggests solutions to ensure effective protection of consumer rights, involving the creation of out-of-court conciliation procedures and giving consumer associations access to justice.

(37) The Commission will explore these avenues. To this end a Green Paper on consumer access to justice will be prepared in 1993. The Green Paper will also examine the possibilities of legal aid to Community consumers taking into account experience gained in various pilot projects initiated and supported by the Commission in different Member States.

(38) Moreover, consumer acts can give rise to disputes where access to justice is not always appropriate, notably when only small quantities are at stake. In such cases the unavailability of legal remedies leaves the consumer defenceless in the face of tortious behaviour. In the case of transfrontier disputes these problems can unsettle consumer confidence in the internal market.

(39) Thus, there is a need to move towards the simplified settlement of disputes. Experience has already been gained in this area. New initiatives will be launched with the help of national relays and will concern in particular the settlement of transfrontier disputes.

#### **D. Adapting financial services to consumer needs**

(40) The Community has already adopted a series of important measures which allow financial institutions to trade openly in the internal market, with proper arrangements for prudential control. Consumers

will also benefit greatly, particularly in the banking, insurance and securities sectors. However there are still a number of difficulties. Several initiatives have been launched with regard to means of payment, in the form of recommendations on transfrontier payments and the use of bank cards. However, these latter texts have not always had all the results expected.

- (41) The effectiveness of transfrontier means of payments is a priority for the proper functioning of the internal market because it is a prerequisite for consumer confidence. The domain of liability in connection with the use of bank cards is also crucial. Other aspects, such as transparency of offers in the mortgage credit market or of "home banking", will also be given the same attention.
- (42) Binding legislative instruments are one way of moving ahead in these sectors. However, all possibilities of concertation between the parties concerned should first be exploited, even outside the existing forums.
- (43) In the case of transfrontier payments some progress has been made with the cooperation of the banking community. However, the Commission is currently reviewing the situation in order to provide a clear assessment of any remaining problems. The Commission repeats its commitment to take further action - including proposing any necessary legislation - if problems warrant it. The Commission will promote dialogue between consumers and all organisations concerned

with a view to defining concrete improvements. In order to be effective, the results of these concertations should take the form of firm commitments on the part of the banking community, in so far as such commitments can be obtained. If it proves impossible to elicit precise commitments - in the form of charters, adopted before the end of 1993 and operational by mid-1994 at the latest - or if the effects of such commitments are not satisfactory there will be no alternative but to switch to the mandatory approach.

**E. Preparing new stages**

(44) This plan of action runs for a period of three years. Thus its aim is not to compile an exhaustive inventory of necessary, desirable or possible actions in the field of consumer protection. Realism means that ambitions must be confined to a limited number of priority objectives. However, it is also important to prepare for the future, notably by formalising the results of studies relating to certain consumer protection domains and by embarking on debates prior to decision-making.

(45) Thus, as of 1993 the Commission intends to prepare a green paper on guarantees and after-sales service conditions. This domain is important if the consumer is to be encouraged to profit from the opportunities presented by the single market. Transfrontier shopping can only flourish if the consumer is assured that he can enjoy the

same after-sales and guarantee terms no matter where the supplier is domiciled. A related question that merits study concerns the problem of discharge of liability which suppliers sometimes demand vis-à-vis consumers in connection with the sale of certain goods or services.

### Conclusion

(46) The second action plan for consumer policy envisages concentrating the Commission's initiatives during 1993-1995 on certain domains which are crucial for consumer confidence in the internal market, such as consumer information, access to justice, consumer health and safety. However, the progress of Community consumer policy is not limited to actions undertaken solely in the context of consumer protection. This progress also means considering consumer interests in the definition of other Community policies and decisions in so far as they concern consumers. The Commission thus intends to pursue its efforts to integrate consumer policy in other common policies. This objective is an integral part of the second action plan on consumer policy.

OVERVIEW AND CALENDAR  
OF ACTIONS PLANNED IN THE SECOND ACTION PLAN

I Consolidation of legislation

- Proposal for a Council Directive on the protection of consumers in respect of contracts negotiated at a distance (distance selling). (Adoption 1993)
  
- Proposal for a Council Directive on the approximation of the laws of the Member States concerning comparative advertising and amending Directive 84/450/EEC concerning misleading advertising (under examination following the conclusions of the European Council in Edinburgh). (Under examination following the conclusions of the European Council in Edinburgh.) (Decision 1993)
  
- Proposal for a Council Directive concerning the protection of purchasers in contacts relating to the utilisation of immovable property on a time-share basis. (Adoption 1993)
  
- Proposal for a Directive on the liability of suppliers of services (under examination following the conclusions of the European Council in Edinburgh). (Decision 1993)

- Correct and optimal application of the directives in force: apart from the conventional procedures, implementation of concertation and partnership with the Member States. Exchange of information on national practices. (1993, 1994, 1995)
  
- Proposal for a Council Decision introducing a Community system of information on home and leisure accidents. (Adoption 1993)
  
- Implementation of Directive 92/59/EEC on general product safety. (1994)
  
- Adaptation of the existing directives to technical progress. (1993, 1994, 1995)
  
- II Selective priorities for raising the level of consumer protection
  
- Improvement of labelling. (1994, 1995)
  
- Proposal for a Directive on the use of claims concerning foodstuffs. (1993)
  
- Support for price surveys and comparative tests. (1993, 1994, 1995)
  
- Improvement of information on consumer problems, notably by using audiovisual techniques. (1994, 1995)

- Support for measures to train adults and young consumers. (1994, 1995)
  
- European consumer guide to the single market and national or sectoral guides. (1993, 1994)
  
- Reform of the Consumers' Consultative Committee, creation of a consumer forum. (1993)
  
- Support for national consumer organisations and notably those of the southern Member States and Ireland. (1993, 1994, 1995)
  
- Green paper on access to justice for consumers. (1993)
  
- Experiences with simplified procedures for settling disputes. (1993, 1994, 1995)
  
- Improvements, on a contractual basis, of contractual relations concerning financial services, notably in the domains of transfrontier payments, liability in connection with the use of bank cards, transparency in mortgage credit, and home banking. Failing this, preparation of proposals for mandatory instruments. (1993, 1994)
  
- Green paper on guarantees and after-sales services. (1993)
  
- Evaluation report on experience with transfrontier information centres. (1995)

# A. LEGISLATION OF PARTICULAR IMPORTANCE FOR CONSUMERS

## I. SAFETY AND QUALITY OF PRODUCTS

### 1. GENERAL PRODUCT SAFETY

Council Directive **92/59/EEC** of 29.06.1992 on **general product safety**  
(OJ L 228 of 11.08.1992, pp. 24-32)

### 2. SER

Council Decision **84/133/EEC** of 02.03.1984 introducing a **Community system for the rapid exchange of information on dangers** arising from the use of consumer products = **SER = CONSUM ALERT**  
(OJ L 70 of 13.03.1984, pp.16-17)

### 3. EHLASS (EUROPEAN HOME AND LEISURE ACCIDENT SURVEILLANCE SYSTEM)

Council Decision **86/138/EEC** of 22.04.1986 concerning a *demonstration project* with a view to introducing a **Community system of information on accidents** involving consumer products = **EHLASS**  
(OJ L 109 of 26.04.1986, pp.23-27)

### 4. COSMETICS

#### a) *Cosmetic products*

Council Directive **76/768/EEC** of 27.07.1976 on the approximation of the laws of the Member States relating to **cosmetic products**  
(OJ L 262 of 27.09.1976, p.169-200)

#### b) *Methods of analysis*

First Directive **80/1335/EEC** of 22.12.1980 on the approximation of the laws of the Member States relating to **methods of analysis necessary for checking the composition of cosmetic products**  
(OJ L 383 of 31.12.1980, pp.27-46)

## **5. TEXTILE PRODUCTS**

### ***a) Textile names***

Council Directive **71/307/EEC** of 26.07.1971 on the approximation of the laws of the Member States relating to **textile names**  
(OJ L 185 of 16.08.1971, pp.16-26)

### ***b) Methods of analysis***

Council Directive **72/276/EEC** of 17.07.1972 on the approximation of the laws of the Member States relating to certain methods for the quantitative **analysis of binary textile fibre mixtures**  
(OJ L 173 of 31.07.1972, pp.1-27)

Council Directive **73/44/EEC** on the approximation of the laws of the Member States relating to the quantitative **analysis of ternary fibre mixtures**  
(OJ L 83 of 30.03.1973, pp.1-19)

## **6. SAFETY OF TOYS**

Council Directive **88/378/EEC** of 03.05.1988 on the approximation of the laws of the Member States concerning the **safety of toys**  
(OJ L 187 of 16.07.1988, pp.1-13)

## **7. DANGEROUS IMITATIONS**

Council Directive **87/357/EEC** of 25.06.1987 on the approximation of the laws of the Member States concerning **products which, appearing to be other than they are, endanger the health or safety of consumers**  
*=dangerous imitations=*  
(OJ L 192 of 11.07.1987, pp.49-50)

**II. PROTECTION OF ECONOMIC INTERESTS**

**1. PRICES**

*a) Prices of foodstuffs*

Council Directive **79/581/EEC** of 19.06.1979 on consumer protection in the **indication of the prices of foodstuffs**  
(OJ L 158 of 26.06.1979, pp.19-21)

*b) Prices of non-food products*

Council Directive **88/314/EEC** of 07.06.1988 on consumer protection in the **indication of the prices of non-food products**  
(OJ L 142 of 09.06.1988, pp.19-22)

**2. DOOR TO DOOR SELLING**

Council Directive **85/577/EEC** of 20.12.1985 to protect the consumer in respect of **contracts negotiated away from business premises**  
-"door to door selling"  
(OJ L 372 of 31.12.1985, pp.31-33)

**3. ADVERTISING**

Council Directive **84/450/EEC** of 10.09.1984 relating to the approximation of the laws, regulations and administrative provisions of the Member States concerning **misleading advertising**  
(OJ L 250 of 19.09.1984, pp.17-20)

**4. CREDIT**

Council Directive **87/102/EEC** of 22.12.1986 for the approximation of the laws, regulations and administrative provisions of the Member States concerning **consumer credit**  
(OJ L 42 of 12.02.1987, pp.48-53)

## 5. TOURISM

Council Directive **90/314/EEC** of 13.06.1990 on **package travel, package holidays and package tours**  
(OJ L 158 of 23.06.1990, pp.59-64)

## 6. CONTRACTS

Council Directive **93/13/EEC** of 05.04.1993 on **unfair terms in consumer contracts**  
(OJ L 95 of 24.04.1993, pp.29-34)

**B. OTHER COMMUNITY TEXTS OF CONCERN  
TO THE CONSUMER  
(CPS NOT RESPONSIBLE)**

**1. PRODUCT SAFETY**

Council Regulation (EEC) N° 339/93 of 8. 02. 1993 on checks for **conformity with the rules on product safety in the case of products imported from third country**  
(OJ L 40 of 17.02.93, pp.1-4)

Council Directive 85/374/ECC of 25.07.1985 on the approximation of laws, regulations and administrative provisions of the Member States concerning **liability for defective products**  
(OJ L 210 of 7.08.1985, pp.29-33)

**1.1 FOODSTUFFS**

*a) Information and Labelling*

Council Directive 79/112/EEC of 18.12.1978 on the approximation of the laws of the Member States relating to the **labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer**  
(OJ L 33 of 08.02.1979, pp.1-14)

Council Directive 90/496/EEC of 24.09.1990 on **nutrition labelling for foodstuffs**  
(OJ L 276 of 06.10.1990, pp.40-44)

Council Regulation (EEC) N°2081/92 of 14 july 1992 on the **protection of geographical indications and designations of origin for agricultural products and foodstuffs**  
(OJ L 208 of 24.07.1992, p1-8)

*b) Additif and Contaminant*

Commission Directive 93/11/EEC of 15 March 1993 concerning the release of the N-nitrosamines and N- nitrosatable substances from **elastomer or rubber teats and soothers**.  
( OJ L 93 of 17.04.1993, p.37)

*c) Special Foods*

Council Directive **89/398/EEC** of 3.05.1989 on the approximation of the laws of the Member States relating to **foodstuffs intended for particular nutritional uses.**  
(OJ L 186 of 30.06.1989, p.27)

*d) Quality control*

Commission Regulation (EEC) N°**2252/92** of 29.07.1992 **on quality inspection of fresh fruit and vegetables**  
(OJ L219 of 04.08.1992, pp.9-18)

Council Directive **89/397/EEC** of 14.06.1989 on the **official control of foodstuffs**  
(OJ L 186 of 30.06.1989, p.23)

*e) Conservation*

Council Directive **89/107/EEC** of 21.12.1988 on the approximation of the laws of the Member States concerning **food additives authorized for use in foodstuffs intended for human consumption**  
( OJ L 040 of 11.02.1989, p.27)

**1.2. PHARMACEUTICAL, CHEMICAL AND MEDICAL PRODUCTS**

*a) Medecinal Products*

Council Directive **92/26/EEC** of 31.03.1992 concerning the **classification for the supply of medicinal products for human use.**  
( OJ L 113 of 30.04.1992, p.5)

Council Directive **92/27/EEC** of 31.03.1992 on the **labelling of medecinal products for human use and on package leaflets**  
( OJ L 113 of 30.04.1992, p.8)

Council Directive **92/28/EEC** of 31.03.1992 on the **advertising of medicinal products for human use**  
(OJ L 113 of 30.04.1992, p.13)

*b) Dangerous preparations*

Commission Directive **91/442/EEC** of 23.07.1991 on **dangerous preparations the packaging of which must be fitted with child-resistant fastenings**  
(OJ L 238 of 27.08.1991, p.25)

*c) Medical devices*

Council Directive **93/42/EEC** of 14.07.1993 relating to **medical devices**  
(OJ L 169 of 12.07.1993, p.1)

**1.3. LABELLING**

*a) Labelling of household appliances*

Council Directive **79/530/EEC** of 14.05.1979 on the indication by **labelling of the energy consumption of household appliances**  
(OJ L 145 of 13.06.1979, p.1)

Council Directive **79/531/EEC** of 14.05.1979 applying to electric ovens Directive **79/530/EEC** on the indication by labelling of the energy consumption of household appliances  
(OJ L 145 of 13.06.1979, p.7)

Council Directive **92/75/EEC** of 22.09.1992 on the indication by **labelling and standard product information of the consumption of energy and other resources by household appliances**  
(OJ L 297 of 13.10.1992, p.16)

*b) Labelling of tobacco products*

Council Directive **92/41/EEC** of 15.05.1992 amending Directive **89/622/EEC** on the approximation of the laws, regulations and administrative provisions of the Member States concerning the **labelling of tobacco products**  
(OJ L 158 of 11.06.1992, p.30)

**2. SERVICES AND TRANSACTION**

**2.1. CREDIT**

Council Directive **89/646/EEC** of 15.12.1989 on the coordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of **credit institutions** and amending Directive **77/780/EEC**  
(OJ L 386, 30.12.1989, p.1)

**2.2 INSURANCE**

Council Directive **92/49/EEC** of 18.06.1992 on the coordination of laws, regulations and administrative provisions relating to **direct insurance other than life assurance** and amending Directives **73/239/EEC** and **88/357/EEC** (third non-life insurance Directive)  
(OJ L 228, 11.08.1992, p.1)

Council Directive **92/96/EEC** of 10.11.1992 on the coordination of laws, regulations and administrative provisions relating to **direct life assurance** and amending Directives 79/267/EEC and 90/619/EEC (third life assurance Directive)  
(OJ L 360, 09.12.1992, p.1)

### **2.3. PRICES**

Council Directive **90/377/EEC** of 29.06.1990 concerning a **Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users**  
(OJ L 185 of 17.07.1990, p.16)

### **2.4. COMMUNICATION - TRANSPORT**

Council Directive **89/522/EEC** of 17.10.1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of **television broadcasting activities**  
(OJ L 298 of 17.10.1989, pp.23-30)

Council Regulation (EEC) **N°2299/89** of 24.07.1989 on a **code of conduct for computerized reservation systems**  
(OJ L 220 of 29.07.1989, p.1)

Council Regulation (EEC) **N°2342/90** of 24.07.1990 on **fares for scheduled air services**  
(OJ L 217 of 11.08.1990, p.1)

Council Regulation (EEC) **N°295/91** of 4.02.1991 establishing **common rules for a denied-boarding compensation system in scheduled air transport**  
(OJ L 36 of 08.02.1991, p.5)

## **3. ENVIRONMENT**

### **3.1. GENERAL**

Council Directive **85/337/EEC** OF 27.06.1985 on the **assessment of the effects of certain public and private projects on the environment**  
(OJ L 175 of 05.07.1985, p.40)

Council Directive **90/313/EEC** of 7.06.1990 **on the freedom of access to information on the environment**  
(OJ L 158 of 23.06.1990, pp.56-58)

Council Regulation (EEC) **N°880/92** of 23.03.1992 on a **Community eco-label award scheme**  
(OJ L 99 of 11.04.1992, pp.1-7)

### 3.2 ATMOSPHERIC POLLUTION

Council Directive **85/210/EEC** of 20.03.1985 on the approximation of the laws of the Member States concerning the **lead content of petrol**  
(OJ L 96 of 03.04.1985, p.25)

Council Regulation (EEC) N°**594/91** of 04.03.1991 on **substances that deplete the ozone layer**  
(OJ L 67 du 14.03.1991, p.1)

### 3.3 CHEMICALS, INDUSTRIAL RISK AND BIOTECHNOLOGY

Council Directive **79/831/EEC** of 18.09.1979 amending for the sixth time Directive 67/548/EEC on the approximation of the laws, regulations and administrative provisions relating to the **classification, packaging and labelling of dangerous substances**  
(OJ L 259 of 15.10.1979, p.10)

Council Directive **82/501/EEC** of 24.06.1982 on the **majoraccident hazards of certain industrial activities**  
(OJ L 230 du 05.08.1982, p.1)

Council Directive **87/217/EEC** of 19.03.1987 on the **prevention and reduction of environmental pollution by asbestos**  
(OJ L 85 of 28.03.1987, p.40)

### 3.4 WATER PROTECTION AND MANAGEMENT

Council Directive **76/160/EEC** of 08.12.1975 concernig the **quality of bathing water**  
(OJ L 31 of 05.02.1976, p.1)

Council Directive **80/778/EEC** of 15.06.1980 relating to the **quality of water intended for human consumption**  
(OJ L 229 of 30.08.1980, p.11)

Council Dierctive **91/271/EEC** of 21.05.1991 concerning **urban waste-water treatment**  
(OJ L 135 of 30.05.1991,p. 40)

### 3.5 PREVENTION OF NOISE POLLUTION

Council Directive **80/51/EEC** of 20.12.1979 on teh **limitation of noise emissions from subsonic aircraft**  
(OJ L 18 of 24.01.1980, p.26)

Council Directive **84/538/EEC** of 17.09.1984 on teh approximation of the laws of the Member States relating to the **permissible sound power level of lawnmowers**  
(OJ L 300 of 19.11.1984, p.171)

Council Directive **86/594/EEC** of 01.12.1986 on **airborne noise emitted by household appliances**  
(OJ L 344 of 06.12.1986, p.24)

Council Directive **89/629/EEC** of 04.12.1989 on the **limitation of noise emission from civil subsonic jet aeroplanes**  
(OJ L 363 of 13.12.1989, p. 27)

**3.6 WASTE**

Council Directive **75/439/EEC** of 16.06.1975 on the **disposal of waste oils**  
(OJ L 194 of 25.07.75, p.23)

Council Directive **85/339** of 27.06.1985 on **containers of liquids for human consumption**  
(OJ L 176 of 06.07.1985, p.18)

Council Directive **91/157/EEC** of 18.03.1991 on **batteries and accumulators containing certain dangerous substances**  
(OJ L 78 of 26.03.1991, p.38)

## FINANCIAL STATEMENT

### SECTION I

1. Title

Consumer Policy - 2nd Three-Year Action Plan 1993-1995.

2. Budgetary lines

SPC Chapter B 510, A (administrative appropriations)  
DG X B 3300 A 3059

3. Legal basis

Autonomous action of the Commission in fulfilling the requirements of Article 100 A of the Treaty and Article 129A of the Maastricht project.

4. Description

A series of measures ranging from legislation to information actions in pursuit of the objective of making the Single Market work for the benefit of consumers. The specific objectives are (1) effective application of Community law, (2) increasing consumer information, (3) increasing and expanding concertation, (4) facilitating access to justice and the settlement of disputes, (5) adapting financial services to consumer needs.

4.1 Duration

The Action Plan embraces the three years 1993, 1994 and 1995.

4.2 Target Group

All citizens of the Community.

5. Classification of the expense

Non compulsory expenditure involving differentiated appropriations.

6. Type of expenditure

The expenses will range from subventions to consumer organisations to the conclusion of contracts and subventions with a variety of service providers.

7. Financial implications

The Action Plan will work within the parameters established in the annual budgets of the Community. The budget for Consumer Policy in 1993 in Chapter B 510 is 16 MECU, the APB for 1994 in the same chapter is 15 MECU and the forward programme for 1995 envisages 16 MECU. It is not envisaged that special extra resources will be needed. Extra focus on information efforts will need to be accommodated within the DG X work programme.

8. Anti-fraud provisions

All expenditures are subject to possible controls by the Court of Auditors and Commission services.

Relevant financial justifications are required prior to payments being authorised.

SECTION 2

Administrative expenditure

The Action Plan is composed on the basis that existing personnel resources can execute it.

SECTION 3

Cost effectiveness analysis

The goal of the Action Plan is in accordance with the conclusions of the Sutherland report to improve the participation of consumers in the Single Market by addressing and removing inhibitors which exist at present.

A base of quantitative measures of habits and attitudes exists which illustrates the current position. On conclusion of the Action Plan, a repeat Eurobarometer exercise in the beginning of 1996 will be used to evaluate progress. On this basis an evaluation will be prepared on the results achieved for communication to the Council and Parliament.

Subsidiarity

The Commission not only has the responsibility to ensure that citizens are properly aware of the effects of the completion of the internal market on their daily lives but it is also the only institution capable of ensuring that the Community dimension is fully reflected.

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