



INFO-C

Information from the Consumer Policy Service of the European Commission - Quarterly-N°4

European Ministers back consumer protection

This issue of INFO-C is particularly concerned with the results of the Council of Ministers on consumer affairs which took place on 29 June this year. The Council Resolution on consumer policy is published "in extenso".

and which received confirmation in the Treaty on Political Union signed at Maastricht, but also invites the Commission to undertake a series of actions at community level to build on the progress already made in 1993.

This Resolution is of great importance to the Consumer Policy Service. In a period of confusion concerning the ratification of the Maastricht Treaty, following the Danish referendum on 2 June, the Council not only reiterates and confirms its commitment to the principles of a consumer protection policy, for which the first steps were taken in the Single European Act

The Council Declaration even reveals some impatience with the progress made under the present programme in that the Commission is invited to propose, as soon as possible, measures to ensure that consumers have confidence in the Internal Market through improvements in transparency, information, health protection and the safeguarding of their interests.

INFO-C

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OF SPECIAL INTEREST

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CEL: XXIV/14

COUNCIL RESOLUTION

of 29 June 1992

on future priorities for the development
of consumer protection policy

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Whereas the improvement of the quality of life implies, inter alia, protecting the health, safety and economic interests of consumers and informing and educating them;

Whereas measures taken under Article 100a of the Treaty must provide for a high level of consumer protection, particularly in the case of consumer health and safety;

Whereas, in addition, the Maastricht European Council considered that consumer protection should be included among the Community's policies;

Whereas a Resolution of the European Parliament on the need to enhance consumer and public health protection for the realization of the internal market was adopted on 11 March 1992;

Whereas the Council Resolution of 9 November 1989 set out future priorities for a relaunch of consumer protection policy which continue to be valid;

Whereas the Three Year Action Plan (1990-1992) of the Commission has been progressively implemented but not yet fully realized;

Whereas the Commission should be asked to draw up a further plan to address consumer protection policy issues in the years ahead taking account of the priority measures in the previous plans which have not yet been carried out, technological and socio-economic changes and the need to develop the European Community;

Whereas the goods and services supplied to consumers must not endanger or put at risk consumer health and safety;

Whereas the consumer's freedom to choose from a diverse range of goods and services should be assured by improved information;

Whereas consumers' capacity to choose should be enhanced by fostering education programmes at the appropriate levels;

Whereas further measures to secure consumer confidence in the operation of the single market are required particularly in the areas of transparency, information, guarantees and warranties;

Whereas it is important to promote consumer redress within the meaning of the Resolution of 25 June 1987 on consumer redress (1) and the Resolution of 9 November 1989 on future priorities for relaunching consumer protection policy (2)

Whereas it is important to ensure enforcement of Community legislation and constant monitoring of its effect on consumers;

Whereas the implementation of the single market will require greater attention to be paid to the quality of services and goods, in particular as regards food-stuffs;

Whereas it is necessary to take consumers' interests into account in the other Community policies and to have a thorough knowledge of the impact of the internal market on consumers;

Whereas consumers' capacity to defend their interests should be strengthened, in particular so as to settle transfrontier consumer disputes, including by the development of Transfrontier Information Centres;

Whereas consumers' capacity to benefit from the various possibilities of the single market should be enhanced by fostering the development of consumer associations;

INVITES

the Commission to propose as soon as possible measures to create consumer confidence in the single market, in particular as regards greater transparency, information, health and safety and protection of the economic interests of consumers; also invites the Commission to look further into the question of unfair advertising with a view to submitting a relevant proposal to it;

INVITES

the Commission, having regard to these priorities and those listed in the Annex to this Resolution, to present by 31 December 1992 at the latest a report assessing the current plan of action and, on that basis, a proposal for a further plan of action covering the period 1993-1997, designed to develop the consumer protection policy and to achieve these objectives;

AGREES

to encourage the Commission to submit to it proposals to improve consumer information;

INVITES

the Member States also to promote consumer information and education campaigns;

NOTES

the Commission's intention of examining the feasibility of a "European Year of the Consumer".

References : (1) OJ N° C 176, 4. 7.1987, p.2.
and (2) OJ N° C 294, 22.11.1989, P.1.

Annex to the Resolution

PRIORITIES FOR THE POLICY OF CONSUMER PROTECTION AND PROMOTION OF CONSUMERS' INTERESTS

1. Integration into other common policies of the policy of consumer protection and promotion of consumers' interests

- Completion of the comprehensive study of the consequences of the realization of the internal market for consumers;
- Drawing up an adequate impact assessment concerning proposals particularly sensitive for the consumer;
- Stepping up taking into account consumer interests in standards-setting and certification procedures;
- Protection of consumer interests, particularly as regards food, financial services and payment systems.

2. Consumer information and education

- Consumer information and education on the single market, designed to safeguard consumers' interests and rights;
- Better information on services to consumers, particularly by developing transfrontier information centres;
- Improving price transparency of services, particularly of the professions and financial services;

Consumer Protection

- Consumer information on programmes of recycling, rational use of natural resources and use of ecological labelling.

3. Legal redress

Without prejudice to national provisions on the matter, encouragement of Member States to facilitate legal redress.

- Simplification of procedures for settling consumer disputes;
- Legal aid for consumers in respect of cases brought before the European courts;
- Access for consumer organizations having, under national law, a legitimate interest in the matter to courts in the Member States according to the lex fori of the court to which the case is referred.

4. Safety and health

- Development of any necessary harmonized systems to ensure that safety and health legislation is being effectively applied;
- Fostering the levelling up of scientific know-how and practices of consumer product inspectors in the Member States;
- Further harmonization of the packaging, labelling and classification of products.

5. Representation of consumers

- Stronger representation of consumers at all levels in order to improve dialogue between various economic operators;
- Fostering the development of Community-wide consumer associations.

6. Economic interests

- Improvement of application of Community consumer legislation;
- Assessment of the usefulness and desirability of approximating guarantee arrangements and improving after-sales services for goods and services in the internal market;
- Improvement of the quality and transparency of payment systems;
- Examination of the question of excessive consumer indebtedness;
- Taking into account the consumer's interests in promoting conditions favouring free competition in the internal market;
- Development of comparative trials.

PROGRESS OF THE DIRECTIVE ON GENERAL PRODUCT SAFETY

INFO-C already gave you details of the procedural status of the draft directive on General Product Safety in the editorial of the previous edition. This draft (see Info-C N° 2) has now been adopted as a directive by the Council of 29 June 1992. A clear explanation of the different aspects of this directive is set out below.

The Directive on General Product Safety was first proposed by the Commission on April 27, 1989.

The first reading in the European Parliament was March 1990, which resulted in a substantial number of amendments. Having taken into account a fair number of amendments, the Commission forwarded to the Council an amended proposal on June 11, 1990.

The Council of Ministers adopted a common position in December 1991.

The directive, including two amendments from the Parliament in second reading, was finally adopted by the Council on June 29, 1992.

Member States are required to adopt the laws, regulations and administrative provisions necessary to comply with the directive by June 29, 1994.

Why the directive is needed

For a given number of products (e.g. machinery low voltage, gas appliances, etc ...), safety requirements are already part covered by specific vertical directives.

However, "gaps" exist in legislation in certain sectors and in some Member States.

This directive seeks therefore to close those gaps and provide the Member States with effective means and powers to adequately intervene where necessary, and in particular, the power to organise the effective and immediate withdrawal of a product at any stage from the market.

Scope of the directive

In terms of the directive's scope, the definition of a "product" is, for the time being, limited to any product that is intended for consumers or likely to be used by them; supplied, whether for a consideration or not, in the course of a commercial activity and whether new used or reconditioned.

This definition does not, however apply to second-hand goods supplied as antiques or as products in need of repair or reconditioning prior to use, provided the supplier clearly informs the purchaser that this is required.

The main objective

The main objective of the directive is to provide a general safety requirement imposing a general obligation on producers to introduce only safe products into the market.

The obligation is "general" in the sense that it proposes to establish, as a basic residual rule of law, a general common denominator to more specific legislation on product safety in any area, to which recourse can be taken where there are loopholes or inadequacies in existing legislation or where no such legislation currently exists.

What constitutes a safe product ?

A "safe product", as defined in article 2 (b) is any product that when used under normal conditions does not present a risk or only minimal risks compatible with its use.

The definition, therefore, takes into account four points in particular :

1. The characteristics of the Product, including its composition, packaging and instructions for assembly and maintenance;
2. The effect on other products, where it is reasonably foreseeable that it will be used with other products;
3. The presentation of the Product, the labelling, any instructions for its use and disposal and any other indication or information provided by the producer;
4. The categories of consumers at serious risk when using the product, in particular children.

Finally, the definition makes it clear that the feasibility of obtaining higher levels of safety or the availability of other products presenting a lesser degree of risk shall not constitute grounds for considering a product to be "unsafe" or "dangerous".

What can be considered a dangerous product ?

The directive clearly states that any product that does not meet the definition of a "safe product" shall be deemed a "dangerous product".

Assessment criteria

The general safety requirement becomes operational using assessment criteria that refers to European or national legislation relevant to the safety of the products involved; European or national standards or technical specifications; codes of good practice or the state of art and technology.

Thus a closed system, which did not previously exist, is provided for determining whether or not a product is deemed to be safe by compliance with these provisions.

When does the Product Safety Directive apply ?

In general, where specific Community rules exist which govern the safety aspects of a product or category of products, the general safety requirement will not apply towards those aspects already covered.

Thus, no dual obligations will be imposed on producers in respect of the same product.

The general safety directive is therefore of horizontal application, filling in the gaps in existing vertical legislation and covering sectors which have not been the subject of specific legislation.

Monitoring of products

Under the new directive, and insofar that these provisions were not already imposed under specific vertical directives, producers and other economic operators in the supply chain are obliged to constantly monitor the safety aspects of the products they market. In this context, they are required to take the necessary provisions enabling the identification of their products.

Safety Management

Under the principle of subsidiarity, the day-to-day management of the general safety requirement provided in this directive is carried out in first instance by the Member States themselves. The Commission only intervenes whenever Member States cannot cope with an urgent situation in an effective and uniform manner. In consequence, specific procedures may only be triggered at community level when :

1. There is the presence of serious and immediate danger
and;
2. Where there is a risk to the health and safety of consumers.

In terms of health and safety, the directive includes a clause based on those that exist in specific directives which applies where no safeguard clause or other notification procedure exists in specific EC rules. Action may only be initiated at Community level on the basis of facts formally transmitted to the Commission by the Member States.

Information Gathering

The directive integrates the rapid exchange of information system in existence since 1984 enlarging its scope substantially to provide for a Community procedure in terms of Article 8. This ensures that emergency measures, as a last resort, can be taken when a divergence exists between Member States as to the appropriate action required in order to deal with serious and immediate danger.

This emergency procedure allows for rapid measures to be taken and allows for a community decision obliging Member States to apply the measures required.

The Interim Period

Until the General Product Safety Directive becomes fully operational (June 1994), the Rapid Alert System, in operation since 1984, and EC legislation will continue to apply in the case of serious and im-

mediate danger, as a parallel procedure to notification under the rapid safeguard clauses whenever applicable under specific EC legislation.

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Consumer Policy Service

The tasks increase, the Service gets bigger.

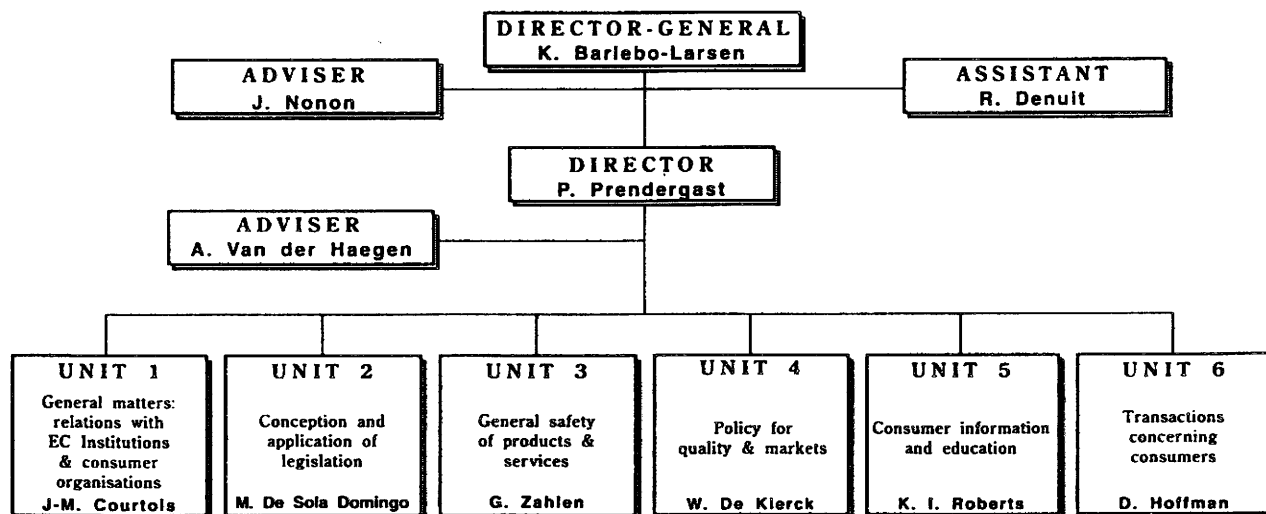
From its creation in 1989 as an independent service, the Consumer Policy Service of the Commission of the European Communities was made up of four Units.

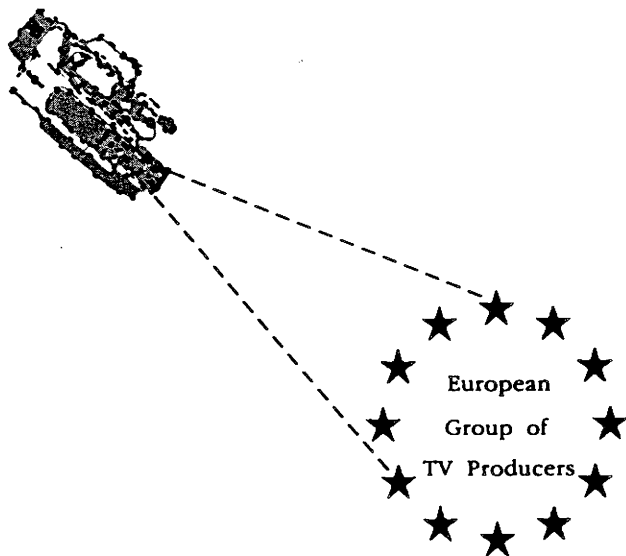
The attention paid by the various Community Institutions to consumer protection has allowed the Consumer Policy Service to develop its activities rapidly. The actions undertaken to defend consumer interests

have not only required an increase of staff but also a new distribution of their work.

So was it that, on 1 June 1992, the Consumer Policy Service gained two new Units, one of which was the former legal section, transformed into a full-blown Unit.

INFO-C presents the re-organized Service to its readers via the following organisation chart:





Faithful to their appointment for the annual meeting of the European Group of Producers of Consumer TV programmes, participants from Community countries plus Switzerland met again (see INFO-C no.1) this year in Brussels on 22 and 23 June.

This meeting, organized by the Consumer Policy Service, allows producers of TV programmes specializing in this field to exchange their experiences and discuss common problems. At the centre of this event was the showing of films which illustrated the respective approaches of the various programmes, which had had a significant impact or which had run into particular problems during their production. It is in this

way that cooperation between TV networks and also between independent producers can be stimulated. Furthermore this meeting gives the Consumer Policy Service the opportunity to make the participants more aware of what is being done in this area by the European Commission.

The discussions which took place brought out the problems which often confront consumer programmes: limited budgets in general which do not allow expensive surveys or tests to be done, legal problems vis-a-vis certain advertisers who consider themselves to have been prejudiced, etc.

Varied themes which showed that consumer problems do not stop at the frontier were also the inspiration for the videos shown during the two days: price comparisons in French-speaking Swiss supermarkets or the pitfalls of consumer credit.

The outlook, often sombre, in certain countries, for the information and education of consumers via TV, shows the need for the European Community to support TV producers and to encourage them to cooperate between themselves.

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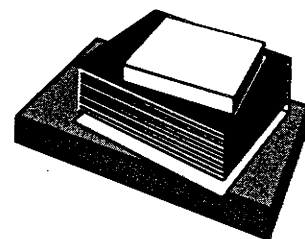
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PUBLICATIONS AND AUDIOVISUAL AIDS



• The French consumer association ASSECO-CFDT, with the cooperation of the European Trade Union Confederation (ETUC) and the support of the Commission's Consumer Policy Service and the French Ministry of Trade and Consumer Affairs, has made a ten-minute video film highlighting the risks of accidents in the home.

"Ouvrons l'oeil" (keep your eyes open) is the watchword of the Owl (the bird on the watch at night) when dealing with the dangers to which a young boy and his grandfather are exposed at home. Do not be surprised if the owl gives you a wink !

ASSECO-CFDT has received plenty of good advice from the French Committee for Consumer Safety.

This film is available in French with English subtitles (PAL).

Price per copy : 153 FF.

It is obtainable from :

ASSECO-CDFT

4, Boulevard de la Villette

75955 PARIS CEDEX 19

Tel : +33/1/42.03.83.50

Fax : +33/1/42.03.81.44 or 45.

- * The Portuguese Association for the Defence of Consumers (DECO) has published a book, called "Buying Guide". The aim of this guide is to help the Portuguese consumer in his choice of purchases.

"Buying Guide" (Guia de Compras) is on sale at 1500 ESC (members) or 1650 ESC (non-members), plus P + P, from :

DECO

Avenue Defensores de Chaves, 22
P - 1000 Lisboa.
Tel. : +351/1/57.39.08
Fax : +351/1/57.78.51

- * "In Deep Water : a study of consumer problems in Towyn and Kinnel Bay after the 1990 floods" : is the title of a report published by the Welsh Consumer Council. This report, published at the end of February, brings out the problems which consumers in these two towns situated in North Wales had to face following the flooding there, as, for example : difficulties with insurance, poor-quality building repairs, loss adjusters and consumer advice and information.

The report can be obtained, price £ 5, from :

Welsh Consumer Council

Castle Buildings
Womanby Street
UK - Cardiff CF1 2BN
Tel. : +44/222/396.056
Fax : +44/222/238.360

- * "Question Santé", the Belgian association with the mission of informing the public and creating a greater sense of responsibility in health matters, has brought out a "Passport to Health". This is intended for people who go to Eastern Europe, the Mediterranean or to tropical countries and gives all sorts of useful advice for keeping in good health. It also gives answers to all questions consumers might have concerning vaccination, be it obligatory or only advisable.

The "Passport to health" exists in English, Dutch (Gezondheidpas) and French (Passeport Santé).

One or several copies (English and French) can be obtained free of charge from :

Question Santé

rue du Viaduc, 72
B - 1050 Bruxelles
Tel. : +32/2/512.41.74
Fax : +32/2/512.54.36

The Dutch version is available from :

Omtrent Gezondheid

Sans Soucistraat, 65
B - 1050 Bruxelles
Tel. : +32/2/502.09.75

(The fax number is the same as for "Question Santé").

- * The Central Transport Consultative Committee in Great Britain (CTCC, see article "Users' Charter" under "Member States") has told us about several of its publications, among which : Annual Report 1990/91 of the CTCC on the country's transport as well as certain European Community initiatives in this area; the Corporate Plan 1991/93 and "Privatising British Rail - Protecting Passengers' interests" a 1989 report on the possible consequences of the privatisation envisaged by the government.
- * The Institute for Research and Reflexion on European Cooperation (IRRCE) at Montpellier (France) has published, with the French Ministry for Youth and Sport, a multi-media tool entitled, "All Europe in a suitcase". The pack, prepared with the technical help of the Commission and the European Parliament, tackles eight themes, such as "Europe and Culture", the practicalities of Europe, Social Europe.

It contains eleven videos, information sheets, transparencies, audio-cassettes, computer disks ... and is brought up to date each year.

The suitcase is available, price 3750 FF (VAT included but excluding postage) from :

IRRCE

rue de Fontcouverte, 1401
F - 34070 Montpellier
Tel. : +33/67/47.92.94
Fax : +33/67/41.38.80

For the present it is only available in French but the possibility of an English version (and perhaps the other seven Community languages) is being examined.

ITALY

SALES AWAY FROM BUSINESS PREMISES : A WATCH-DOG FOR DISPUTES.

A draft agreement has recently been drawn up in Rome between certain trade associations (AVEDISCO, ANIPAV, AIE) and consumer associations (ADICONSUM, ADOC, AGRISALUS, FEDERCONSUMATORI, MOVIMENTO CONSUMATORI, UNIONE NAZIONALE CONSUMATORI, LEGA CONSUMATORI, LEGA CONSUMATORI ACLI, ASSOUTENTI) concerning the setting-up of a watch-dog organization for contracts made outside business premises.

This organization is charged with making periodic checks on disputes brought to the attention of signatories, in order to detect any which have been conducted in an unlawful way. In any case involving members of the AIE (Association of Italian publishers), AVEDISCO (Association of mail order firms - consumer service) or of ANIPAV (National Association of Travel Sales Promoters), the relevant association will take the necessary steps to have the unlawful procedures stopped.

Should it be a case of deception or behaviour adversely affecting the rights of consumers by a firm not belonging to one of the associations mentioned above, it will nevertheless be examined jointly and the watch-dog organization will report the case to the competent authorities.

Having examined the first cases put forward by the consumer associations, the organization has already discovered delays and mistakes by numerous firms in applying the Italian law 50/92. This law gives the consumer the opportunity to rescind from a contract to purchase by means of a registered letter to be sent within seven days of the signature of the contract. As a consequence, a study of ways to put an end to such practices has already been started.

RESULTS OF THE FIRST "ADICONSUM" CONGRESS.

The first Adiconsum National Consumer Congress was held in Rome in the presence of 180 delegates from all regions of Italy.

Five resolutions, summarized below, were drawn up during the three days of debate and the two "round-table" sessions which examined the questions of product safety and the quality of Italian services as well as the fresh problems which could arise as a result of the completion of the Single Market".

- **Law on the rights and the representation of consumers** : this is the first demand to be addressed to the new parliament and to the government, since Italy is the only country in the EEC without specific legislation in this field.
- **One hundred information offices throughout the land** : these will give advice and assistance to consumers. In two years time the numerous victims of fraud and deception will be able to avail themselves of an Adiconsum office.
- **Comparative tests** : their purpose is to improve the information provided for consumers and to bring out, in an objective way, the various qualities of competing products. Adiconsum believes that certified products should be given priority. Nevertheless such products should be subject to stricter controls.
- **A "guarantor" to check public sector tariffs** and an authority to ensure a linkage between tariffs and quality. In the opinion of Adiconsum, proposals in the services sector should involve the citizen more. This could be done, for example, by setting up users' committees with which the enterprise concerned would have to discuss opening hours and other qualitative aspects of service.
- **A law against excessively high rates of interest**, which would protect citizens against the thousands of finance houses which dupe them by applying interest rates in excess of 30 %. Adiconsum will demand a parliamentary bill which prohibits these legalized forms of usury by fixing a maximum rate of interest of 10 %.

Source :

Information given by

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UNITED KINGDOM

CLASSROOM COMMERCIALS ?

Business sponsored education materials in the UK

Advertising for children is carefully monitored and regulated through the Advertising Standards Authority. Commercially sponsored material for use in the classroom is not subject to any similar supervision. Yet teachers are more and more dependent on business-sponsored education materials in their day-to-day work in the classroom. Major changes in the curriculum have