

# Health & Consumer Voice

#### May 2011

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Time for Empowerment: less than 50% of EU Consumers surveyed felt confident

# What is consumer empowerment?

Consumer empowerment is about consumers knowing their rights, being aware of the available redress options, and showing willingness to take action when things go wrong.

Consumer empowerment is a combination of the skills, knowledge and assertiveness of consumers themselves and the protection, rules and institutions designed to support them play their part. It therefore depends not only on good cognitive skills but also on knowledge of consumer rights and information, effective non-governmental organisations and public authorities and simple and accessible means of redress.

According to a Eurobarometer survey report published on 11 April on the occasion of the 2011 European Consumer Summit, less than 50% of EU consumers surveyed felt confident, knowledgeable and protected as consumers. Empowered consumers find it easy to identify the best offer, know their rights and seek redress when things go wrong. Vulnerable consumers find it hard to understand the choices they face, don't know their rights, suffer more problems and are unwilling to act when things go wrong.

The survey was carried out in 2010 in 29 countries (EU27, Iceland and



Norway), with 56,471 consumers, using 70 questions covering three main dimensions of empowerment: consumer skills; consumer awareness of their rights; consumer assertiveness.

Results show that consumer awareness and skills are worryingly low. However, there is a considerable potential to empower consumers and thereby to improve consumer welfare and reduce consumer detriment. The internet and the media have a key role to play in consumer empowerment, with more than 38% of consumers using the internet to compare products and given the media's capacity to reach citizens directly.

The EU Commissioner for Health & Consumer Policy John Dalli said: "Worrying results indicate that a significant number of consumers are potentially vulnerable to frauds, scams, pressure selling, and do not know they can re-consider their choices and avoid unnecessary purchases. If consumers cannot easily make choices and avoid harm, not only do they suffer but so do the innovative, honest businesses which drive growth".



### In brief



The Third European Consumer Summit "EU consumer policy: the way ahead" took place on 11-12 April.

This year the Summit focused on the way ahead in EU Consumer Policy. Time has come both to draw some conclusions from the results delivered by the current Consumer Policy Strategy, which will end in 2013, and to make progress to define the post 2013 Strategy.

The Commission will be tabling proposals by the end of 2011 with a view to deliver a Consumer Policy Strategy which has a clear EU added value and contributes to sustainable economic growth. In this frame, the aim of the European Consumer Summit 2011 was therefore to focus on tools for delivery.

Stakeholders' discussions, eased by the Commission through the use of innovative methods such as interactive media seminars, will contribute to shape the new Strategy after 2013, namely in areas such as: evidence base; participative enforcement; capacity-building of consumer organisations and movements; Alternative Dispute Resolution; consumer information and consumer education.

On the occasion, Commissioner Dalli also announced the results of the Eurobarometer Survey on Consumer Empowerment (see article in the front page).

Further information is available at:

http://www.european-consumersummit.eu/



#### Key findings

#### - Consumers' detriment and redress

Consumer detriment is estimated at 0.4% of EU GDP. More than one in five Europeans interviewed had encountered a problem for which they had cause for complaint. The less educated and elderly are more reluctant to seek redress, although they are no less likely to have problems.

#### - Consumers' skills

In terms of numerical skills, consumers struggle with simple calculations: only 45% could answer three consumer related questions correctly. In terms of financial skills, two out of ten people interviewed were not able to choose the cheapest option when buying a flat screen TV. Only 58% could correctly read an ingredients label and 18% could not identify the best-before date. Only 2% of consumers recognised five common public information logos. 33% of consumers thought that the CE mark meant "made in Europe", and only 25% correctly knew it meant that the product "complies with EU legislation".

- Consumers' knowledge of their rights

A majority of consumers were not aware of their fundamental rights such as the right to have a faulty product repaired, replaced or reimbursed 24 months after purchase, the right to cancel an online financial services contract within 14 days if they change their mindorfindabetteroffer, or similarly, the right to cancel a contract with a doorstep salesman.

"These results will have to be taken into account if we want to help consumersinanincreasinglycomplex market and in the face of information overload", Commissioner Dalli said. The aim of this Eurobarometer study was indeed to gain knowledge of consumer's capacities, awareness and assertiveness in order to better design and develop policies, at both EU and national level that take account of real behaviour.

The full text of the Eurobarometer survey report is available at: http://ec.europa.eu/public\_opinion/index\_en.htm

# Food safety in the EU: reinforced control on imports from Japan

On 24 March the EU decided to reinforce controls on imported food and feed from certain regions of Japan after the accident at the Fukushima Daiichi nuclear power plant. The EU Member States backed a European Commission's proposal on special import conditions, which will cover all feed and food originating in or consigned from twelve prefectures of Japan.

The regulation adopted stipulates that each consignment of food or feed from the twelve prefectures near the Fukushima accident has to be accompanied by a declaration – to be provided by the Japanese authorities – attesting that the product does not contain levels of radionuclides that exceed the EU's maximum permitted levels.

Furthermore, importers are required to notify the national competent authorities two days before the arrival of each consignment of food and feed from Japan. Feed and food products that were harvested or processed before 11 March are not affected by the provisions of this regulation. Nevertheless, these

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products from all of Japan's territory would have to be accompanied by a declaration stating clearly that they were harvested and processed before that date.

The measures apply to all feed and food originating in or consigned from twelve prefectures of Japan, including the four most affected by the accident. All products from these prefectures have to be tested before leaving Japan and will be subject to random testing in the EU. Feed and food products from the remaining thirty-five prefectures will have to be accompanied by a declaration stating the prefecture of origin and will be randomly tested upon arrival in the EU. The EU will review these measures every month.

Further information is available at:

http://europa.eu/rapid/pressReleasesAction. do?reference=IP/11/362&format=HTML&aged=0&lan guage=EN&guiLanguage=fr

# Enhancing farmer's practices while ensuring public health

The European Commission's Directorate-General for Health and Consumers has launched the stakeholder consultation "Smart Regulation of Medicated Feed - how to safeguard public and animal health while increasing the competitiveness of EU's livestock sector". The consultation will run from 31 March to 30 May 2011.

Medicated feed contains a premix of veterinary medicines and requires veterinary prescription. Sometimes, it is the most effective way for a farmer to give medicine to his livestock.

The Commission regulated the conditions for mixing veterinary medicine into feed, its marketing and use across the EU in the Directive 90/167/EEC. Its transposition in EU

countries led though to differences throughout the EU for manufacturers and farmers. Furthermore, some provisions are not in line with developments in feed and veterinary medicinal products legislation.

A revision of the Directive is therefore in the pipeline. In such a frame, the running consultation aims at identifying the issues which could be improved: the input from stakeholders will feed into the impact assessment to be carried out by the Commission of the revision of the Medicated Feed Directive. All contributions and a report analysing the replies will be published a few weeks after the consultation closes.

The consultation document is available at: http://ec.europa.eu/food/food/animalnutrition/labelling/docs/online\_consultation\_medicated\_feed\_ en.pdf

# Product Safety: Commissioner Dalli presents results for 2010

On 12 May the Commissioner for Health and Consumer Policy John Dalli will launch the 2010 Rapid Alert System for Non-Food Products (RAPEX) Annual Report at the "RAPEX Media Event" in Brussels.

The RAPEX report, published in English, French, German and Chinese, provides information on the number, origin and type of dangerous products notified through the EU alert system for non-food dangerous products (RAPEX).

The RAPEX Media Event will include a press conference given by Commissioner Dalli and an exhibition of dangerous products notified through the RAPEX.

Further information is available at:

http://ec.europa.eu/consumers/safety/rapex/index\_en.htm

## In brief

EU Health Prize for Journalists 2011: the competition is on!

Registration for the Third EU Health Prize for Journalists is now open. The aim of this prize is to raise awareness on health issues by showcasing the talents of the best health journalists from across the 27 Member States.

As with the two previous editions, the theme of the prize is "Europe for Patients", including as of this year the topic of pharmaceuticals. The winners will receive cash prizes of  $\in$  6,000 for the first place,  $\in$  2,500 for the second place and  $\in$  1,500  $\in$  for the third. A special prize of  $\in$  3,000 will be awarded for an article highlighting the health dangers of tobacco.

Over 700 journalists from across the EU have participated in this competition so far. The first place winner of the 1st EU Health Prize for Journalists was French journalist Estelle Saget, with her article "Schizophrenia explained to family and friends". A team of two Italian journalists, Gianluca Ferraris and Ilaria Molinari won first place in the 2nd EU Health Prize for Journalists. Their article "Stealing Hope" drew attention to "healing clinics" that offer expensive, but unproven, therapies to vulnerable patients suffering from chronic diseases.

Like in the two previous editions, journalists are invited to submit articles on one or more of the topics of the "Europe for Patients" campaign: cross-border healthcare, rarediseases, healthworkforce, patient safety, organ donation and transplantation, cancer, flu vaccination, prudent use of antibiotics, mental health, Alzheimer's disease and other dementias and childhood vaccination. This year, the Commission's initiatives in the realm of pharmaceuticals have been added, and a special prize will be awarded for the best article on smoking cessation.

In each Member State, a national jury composed of journalists and public health experts, chaired by the European Commission, will select one national finalist. An EU jury will then select three EU level winners and the special prize winner among the 27 finalists.

The EU health prize for journalists and the Europe for Patients Campaign are funded under the Second Community Health Programme 2008-2013.

Further information is available at:

http://ec.europa.eu/health-eu/ journalist\_prize/2011/index\_en.htm



## Novel food regulation: Commissioner Dalli disappointed with outcome

On 29 March the Commissioner for Health and Consumer Policy John Dalli announced that the EU institutions failed to agree on the revision of the novel food regulation. Expressing his disappointment, he said that he will assess the next steps for the novel food regulation and the follow-up to the Commission report on cloning in food production.

Novel foods are foods and food ingredients that have not been used for human consumption to a significant degree within the Community before 15 May 1997. In order to ensure the highest level of protection of human health, novel foods must undergo a safety assessment before being placed on the EU market.

The Novel Food proposal, on the table since 2008, was aimed at simplifying the administrative burden for food business operators when requesting pre-market approval for innovative food products.

Despite all the efforts made by the Commission and the good consent

basis achieved, an agreement could not be reached. Expectations were high, since the regulation had to be revised to take into account a number of important developments.

In an effort to move forward with this important legislative proposal, the Commission had proposed to deal with the issue of cloning of farm animals for food production separately, and published a report on cloning in October 2010 proposing a temporary suspension of the cloning technique for food production in the EU, a ban on import of clones and traceability of reproductive material from cloned animals.

Since that report many improvements were agreed on key novel food aspects. If implemented, this would have been beneficial for both consumers and the food industry.

The disappointing outcome will now be object of reflection in view of assessing the next steps.

The Commissioner's full statement is available at: http://europa.eu/rapid/pressReleasesAction. do?reference=MEMO/11/202

## Increasing healthy life years: report on the public consultation for an Innovation Partnership on Ageing

The public consultation on the pilot European Innovation Partnership (EIP) on Active and Healthy Ageing, which closed on 28 January 2011, sought views on how the Partnership could deliver on its aim. Over 530 contributions were received providing the European Commission with a very rich, diverse and unique feedback.

With this consultation the European

Commission gathered opinions on how Europe could scale up innovation to meet the challenges of the ageing population in Europe. Between 2010 and 2030, the number of Europeans aged over 65 will indeed rise by nearly 40%, posing challenges, yet offering opportunities for Europe's society and economy.

The report on this public consultation is available at: http://ec.europa.eu/dgs/health\_consumer/docs/eip\_ active\_healthy\_ageing\_en.pdf





Public hearing on collective redress at the European Parliament

On 5 April a public hearing on collective redress was organised in the framework of the Justice Forum at the European Parliament in Brussels.

Amongst the other participants, BEUC Director General Monique Goyens, Director of BusinessEurope Legal Affairs Department Jérôme Chauvin, as well as several Directors from the European Commission, including the Director for Consumers Affairs of the Health and Consumers Directorate-General Jacqueline Minor, took part to the debate.

The Commission has worked for several years on developing European standards of collective redress in the field of consumer and competition law. A Green Paper on antitrust damages actions was adopted in 2005 and a White Paper followed in 2008, both of which include a chapter on collective redress. In 2008, the Commission also published a Green Paper on consumer collective redress.

This hearing at the EP was a part of the European Commission's public consultation "Towards a coherent European approach to collective redress", running from 4 February to 30 April.

The aim of the consultation was to identify common legal principles that should underpin collective actions across the EU, such as the need for effectiveness and efficiency, information for citizens and safeguards against abusive litigation.

The outcome of the consultation, which has just been closed, will be published shortly on the European Commission's Directorate-General for Health and Consumers website.

Further information is available at:

http://ec.europa.eu/consumers/redress\_ cons/collective\_redress\_en.htm



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