



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 13.3.2007
SEC(2007) 322

COMMISSION STAFF WORKING DOCUMENT

Accompanying document to the

**COMMUNICATION FROM THE COMMISSION TO THE COUNCIL,
THE EUROPEAN PARLIAMENT AND THE EUROPEAN ECONOMIC AND
SOCIAL COMMITTEE**

EU Consumer Policy strategy 2007-2013

Empowering consumers, enhancing their welfare, effectively protecting them

Summary of the Impact Assessment

{COM(2007) 99 final}

{SEC(2007) 321}

{SEC(2007) 323}

SUMMARY OF THE IMPACT ASSESSMENT

For the 2007-2013 period, consumer policy faces two major challenges:

- ensuring that consumers, as well as companies, better exploit the potential of the internal market;
- helping consumers to make optimum use of the new developments with which they are confronted.

Despite a substantial increase in the number of cross-border purchases between 2003 and 2006, European consumers continue to favour national products and making purchases on the national market. However, it is interesting to note that, at the same time, many consumers and many companies indicate that they are prepared to make cross-border transactions.

The low current level of cross-border transactions has the effect of limiting consumer choice, reducing competitive pressure which could effectively fix prices in the consumers' interests, and limiting the benefits for companies, particularly for SMEs.

There are many reasons for this low level of cross-border transactions: lack of consumer confidence, mainly due to the existence of different protection rules and a lack of effective mechanisms for settling disputes, insufficient consideration of consumers' interests in other Community policies, lack of information for consumers and companies on the potential of the internal market, lack of high-speed Internet access in some Member States, persistence of obstacles making it difficult for companies to operate outside their own countries, the weakness of the consumer movement and inadequate data on consumers and markets.

European consumers are therefore called on to confront important developments which could have an impact on their choices and modify their consumption patterns: more and more varied and more and more complex offers, technological revolution and increase in electronic commerce, globalisation of production, development of services and liberalisation of network services. Even if numerous consumers are in a position to benefit from these developments, the transition may pose difficulties to the most vulnerable among them.

With regard to consumer policy, Community intervention is provided for by Article 153 of the EC Treaty, which stipulates that this area falls within the shared competence of the Community and its Member States. Community intervention is necessary whenever the issue at stake goes beyond purely national concerns. Whether the consumer purchases products or services in his neighbourhood or goes abroad to acquire them or whether he uses all the possibilities offered by the new technologies, he should be assured of having a vast choice of products and services at competitive prices, with the same high level of protection, along with access to fast and effective methods for settling disputes.

Considering the challenges to be faced, the three principal objectives of European consumer policy for the coming years are as follows:

- to empower European consumers: consumers who are to play a full role in the market need accurate information, market transparency and the confidence which comes from effective protection and solid rights;

- to enhance EU consumers' welfare in terms of price, choice, quality, diversity, affordability and safety. Consumer welfare is at the heart of well-functioning markets;
- to protect consumers effectively from the risks and threats which cannot be left to individuals. A high level of protection against these threats is essential to consumer confidence.

To achieve these objectives, European consumer policy should therefore:

- be based on improved monitoring of consumers and national consumer policies,
- be equipped with better consumer protection legislation,
- work towards a better application of the existing legislation and better redress mechanisms,
- better inform and educate consumers,
- put the consumers at the heart of the legislation by promoting a better integration of consumer interests in other EU policies,
- better protect EU consumers on the international markets.

Three possible options for 2007-2013 emerged from the impact analysis: a consumer policy that falls mainly within national competency, a consumer policy that falls mainly within Community competency, and a consumer policy that complements that of the Member States. The third option is that which corresponds most effectively to the objectives set out and is the least expensive alternative. It pools the most effective actions at Community level and respects national specificities.