



EUROPEAN COMMISSION  
HEALTH AND CONSUMERS DIRECTORATE-GENERAL

Consumer Affairs  
Consumer Strategy, Representation and International Relations

## **Minutes of the European Consumer Consultative Group (ECCG) meeting 29-30 November 2012**

**BRUSSELS, Centre Albert Borschette  
CHAIR: EUROPEAN COMMISSION**

### **1. Welcome and approval of the agenda**

The European Commission (Ms Jacqueline Minor, DG SANCO) welcomed the ECCG members, including the new representatives from Italy and Austria. Ms Minor announced that the next meeting taking place in February 2013 will be the last meeting under the current mandate of the ECCG. She further asked the members present if they have any other points to add to the Agenda.

The BEUC representative asked for an update on the future EC legislative proposals such as collective redress, the report on the UCPD etc.

Ms Minor replied that this agenda item had been initially foreseen for the meeting but had to be postponed to the next meeting that offers a better timeframe. She briefly announced to the members that SANCO will have a new Commissioner, Mr Borg.

### **2. Consumer Programme and Consumer Agenda**

EC (Mr Olivier Micol, DG SANCO) reported that the Consumer Agenda has globally been positively received by the European institutions. This was reflected in the opinions adopted by the EESC and the CoR and the resolution of the Council. The Parliament (IMCO Committee) was currently preparing an own-initiative report on the Consumer Agenda, to be adopted in April/May 2013.

EC also reported on the state-of-play of the negotiations between the European Parliament, the Council and the Commission on the adoption of the future financial framework, the 2014-2020 Consumer Programme.

Ms Minor added that the financial envelope to be allocated to the 2014-2020 Consumer Programme under the future MFF (Multiannual Financial Framework) was still to be decided.

- The *BEUC representative* enquired about pending issues in the context of the adoption of the 2014-2020 Consumer Programme and about the timetable.

EC (Mr Olivier Micol, DG SANCO) answered that an informal trilogue meeting would take place on 4 December, where it was likely that most issues of substance could be solved. However, it was not sure that a solution could be found at this meeting on a number of pending issues linked to comitology and the management of the Programme.

Ms Minor added that the 2014-2020 Consumer Programme had one of the smallest financial envelopes among the MFF proposals.

- The *Slovenian representative* noted that the situation for consumer organisations in many Member States was getting worse compared to previous years. Some Member States allocate very limited budget to consumer organisations which makes it more and more difficult for them to survive. She further asked if there was a specific budget line for consumers' organisations under DG REGIO budget.

EC replied that it was not likely.

- The *BEUC representative* asked whether the capacity building programme for consumer organisations would be continued.

EC indicated that indeed a new call for tender was in the pipeline.

### **3. Consumer and Vulnerability**

BEUC representative together with ANEC representative presented ANEC and BEUC proposal for an ECCG Opinion on consumers and vulnerability. The opinion has been developed as a follow-up of the workshops' discussions held during the meeting of June 2012. The presentation focused on policy and legal context, elements of a definition – no "one size fits" all approach - and recommendations.

- The *Danish representative* underlined the importance of addressing consumer and vulnerability and not vulnerable consumers in the ECCG opinion. She added that all consumers are vulnerable in some respects and that it's getting technically more difficult to act as consumer. Information, education and protection will always be there but this will make the consumer neither average, nor empowered. She said that in Denmark they had a long discussion about the financial services, as this is a sector where all consumers may be vulnerable. She concluded that more needs to be done even if it's not easy as there are no usual remedies for this.
- The *German representative* noted that there are many more markets now, a lot of liberalized markets, and many more areas where consumers have to make a decision with long term consequences; for example, as regards pensions: in Germany there is a private pension insurance meant to be used more widely now. Linked to that there was a discussion about a template document that could provide information on rights of withdrawal from a contract which all companies could use. She stressed that policy makers have to come up with alternative solutions that look at the consumer profile.
- The *Irish representative* congratulated ANEC and BEUC for their paper and made two comments about an internal and external model of vulnerability used in Ireland and about other ways of reaching young people outside the school curriculum that should be mentioned in the document.
- The *Latvian representative* highlighted the need to look at different sectorial dimensions because not all the sectors are affecting consumers in the same way.
- The *French representative* made an appreciative comment particularly as regards the analysis that was made of vulnerable consumers. She further referred to some on-going work taking place in France on access to basic services.
- The *Coface representative* said that when talking about vulnerable consumers, vulnerable families have to be considered also. He announced that a meeting about vulnerable families will take place in February in Dublin under the Irish presidency.

- The *Dutch representative* suggested including another point in the opinion as regards the digital sector: that the vulnerability of each consumer increases equally to the sophistication of his/her online profile.
- The *UK representative* made a comment on actions and outcomes and on how this opinion could possibly be included in the next EC initiatives. She referred to the UK group called Age UK that has been contributing to the EC work on the European Accessibility Act and she asked how the ECCG opinion could feed in to that initiative.
- The *Swedish representative* noted the importance of linking vulnerability to empowerment and that all markets have vulnerable consumers. Referring to certain groups of vulnerable consumers, such as the disability group with attention problems, he stressed the need to adapt these markets for these people.
- The *Romanian representative* recommended that specific pressure should be put on the side of the producer if something is wrong.
- The *BEUC/ANEC representatives* concluded that it is a difficult issue to address. They ask the ECCG members for further comments and inquired about future dissemination of the opinion.

Ms Minor confirmed that once the opinion is adopted, it will be sent to CPN and to the EP, as suggested by ANEC/BEUC.

#### **4. Energy**

EC (Mr Gialoglou Kyriakos, DG SANCO) made a debriefing of the 5th Citizens' Energy Forum underlining that it proved to be a successful meeting for all parties concerned. He mentioned the main Forum actions: new SANCO Working Group on revisiting the 2009 Billing Guidance & extend it into e-billing and personal energy data management; the mandate for SANCO to extend the membership ECCG sub-group on Energy to cover the 'new' EU MS; Consumer Summit Enforcement seminar: consumer agencies, energy regulators & other stakeholders to jointly discuss how to better enforce provisions that are based on both consumer and electricity and gas legislation as a case study for collaboration and task repartition among competent bodies.

Mr Gialoglou underlined the need for the ECCG to appoint ECCG sub-group Members for 'missing' MS and become actively involved in the Mini Fora. He also referred to the recommendations of the SANCO Transparency Report.

EC (Ms Lara Blake, DG ENER) gave an overview of the activities from the London Forum more closely related to DG ENER. She made reference to CEER/BEUC Joint Statement, which identifies areas and actions that need to be taken to have the consumers at the heart of the retail energy markets in Europe, and to the work on vulnerable consumers in the energy sector.

EC (Ms Carina Törnblom, DG SANCO) highlighted the importance of being present in past and future meetings and of having a representative of each MS in the Forum. It is important for the EC to understand what is happening in each Member State via consumer representatives' testimonies and also it is not enough to have regulators represented as they are only one part of the picture. The 2013 Consumer Summit will get together the enforcers and the energy regulators to focus on coordination and improvement of communication channels.

- The *Spanish representative* was disappointed by the lack of interest shown by the Spanish public servants in solving energy sector problems in Spain and in the energy consumers event organised in Madrid last July by DG ENER. As regards the Spanish representation in the

energy forums, right now there is a representative; however, it is not sure if she will continue due to the lack of resources for the moment given the economic situation. Consumer associations in the country do not receive funding from the administration. The Spanish representative had an objection as regards the promotion of the voluntary codes in the Transparency Report. Spain has the most expensive energy in Europe, after Malta and Cyprus and the Spanish consumers are the most dissatisfied. Another problem is how consumers are informed about the energy market: the media decides what information gets to consumers as they are being paid by the companies themselves. All these aspects should maybe be considered by the EU, as there was no local interest shown.

- The *BEUC representative* underlined that many things were done thanks to DG SANCO and DG ENER, but the work is not finished. The London Forum is a good place for dialogue among stakeholders. A more active involvement of consumer associations is necessary.
- The *Danish representative* referred to the Forum as a platform that is good and flexible enough. She asked how EC can solve the lack of participation of some countries to these meetings.

Ms Törnblom answered that DG SANCO is one of the few DGs that has a budget line that allows for reimbursements of consumer representations.

- The *Latvian representative* said that the London Forum was a big success. She also added that the strategy of highlighting the issues faced by consumers in Latvia at the Forum worked well as a representative of the NRA contacted her after the Forum.
- The *German representative* thanked those responsible for their efforts in organising the Forum and noted that it was simple for consumer associations to get involved in the energy forum. She referred to a remark made by her colleague who suggested having representatives from more countries. She also referred to the expertise issue and she was wondering how to involve consumer organizations without high level experts and how to differentiate in a bottom up approach? As without proper level of expertise it is difficult to participate. From the German point of view it is important to have instruments for price regulation, as without such instruments there is no proper competition.
- The *Slovenian representative* highlighted the need for regulation as in a time of crisis Government cannot add money to the budget for consumer organizations.

EC (Ms Lara Blake, DG ENER) answered to the point referring to an increased participation in the Forum: there is the possibility to have a video conference for next year's forum. At the same time, the EC remains open for suggestions. As regards regulated prices: the EC will address this question in the coming months and time is needed to achieve the intended results as foreseen by the 3rd Energy Package. Regarding the increasing tax element in consumers' bills, the EC will provide information in the following months.

EC (Mr Gialoglou Kyriakos, DG SANCO) underlined the need for a greater participation of EU energy and consumer experts to ensure that the discussion is balanced and focused on the needs and priorities of individual consumers. Peer pressure is the most important tool in such a setting as the Citizens' Energy Forum.

## **5. Products and service safety**

EC (Ms Carina Törnblom, DG SANCO) introduced the agenda item on product safety.

EC (Ms Maija Laurila, DG SANCO) talked about the up-coming revision of the product safety and market surveillance package. The legislative package will consist of a review of the GPSD, the market surveillance part will be taken out and added to a new Regulation together with other Union provisions that relate to market surveillance. The objective is better coherence and better enforcement.

EC (Mr Tommaso Chiamparino, DG SANCO) made a presentation on the recently launched Eurobarometer survey on service safety and announced the Commission initiative to launch a comprehensive consultation in 2013 which may take the form of a Green Paper on the Safety of certain consumer services, with a particular focus on tourism services.

EC (Mr Hans Ingels, DG ENTR) talked about the Toy Safety Directive. He stressed that time is needed for economic operators to learn new rules and that enforcing the rules is a key challenge. He also referred to the necessity of investing more money in consumer information actions to make consumers much more aware about risks. He mentioned an information campaign, which included social media. He also referred to key points such as investments (Asia), work closely with Member States and work more on market surveillance.

- The *ANEC representative* welcomed the new proposal on product safety and market surveillance package however deplored the fact that consumer organisations do not have enough information on the state of play in order to state a clear position. She expressed her interest on how the standardization rules are going to look like and their interplay with the comitology rules. She said that ANEC and BEUC are calling for an accident database for products and eventually services. A different tool is necessary: even if the Eurobarometer is an interesting exercise to ask consumers about their perception on safety, focussing on perceptions is not enough. ANEC and BEUC is questioning the campaign with the CE robot and the fact that the consumers are told not to buy products without CE marking, as the products under GPSD are not supposed to carry the CE marking and therefore leads to confusion. She stressed again that the CE marking is important for market surveillance but not for consumers.
- The *Danish representative* said that CE marking is not comprehensible for consumers and that consumers do not know what it stands for. People may wrongly assume that the product has been produced in the EU or has been tested by third parties for example.
- The *German representative* said that in Germany CE marking it's not an issue as there is a different marking system: the products receive third parties certification. She supported BEUC and ANEC position and said that no one in Germany is in favour of CE marking being a sign for quality.
- The *Norwegian representative* pointed to the Eurobarometer on service safety report being weak for driving policy making. As it emerges from the report, the main problem is the absence of systematic data on injuries and their causes.
- The *BEUC representative* expressed her regret that as a consultative committee of the EC they have not yet seen the text of the product safety and market surveillance package. As regards

the CE marking, she stressed that it is not acceptable for tax payers to pay for a video that misleads consumers.

EC (Ms Maija Laurila, DG SANCO) replied to the questions. As regards standardization she said that the new rules have to be fitted-in. SANCO has for long considered the possible idea of an accident/injury database. The next step will be to launch a feasibility study to obtain a clear estimation of the costs that such a database will entail in order to effectively support policy making.

### **Afternoon session**

#### **6. SWP on the application of the non-discrimination provision in the Services Directive**

EC (M. Matthias Schmidt-Gerds, DG MARKT) made a presentation on the staff working paper on the application of the non-discrimination provisions, Article 20(2) Services Directive.

- The *German representative* noted that EC has made the promise on the citizen information page that consumers have the right to do shopping without any price discrimination. She then asked what happens to companies that artificially segment markets in order to skim the highest possible profit. She asked what will be the actual penalties for that. The second question she raised was to inquire whether the EC would soon introduce an obligation to sell in the Services Directive.
- The *BEUC representative* brought to the attention of the group that anti-money laundering rules were more and more used by companies as a pretextual justification not to provide services.

EC (Mr Matthias Schmidt-Gerds, DG MARKT) answered that penalties were a matter of national law varying from one MS to another. He also said that the Services Directive was not expected to be amended in the near future. He asked consumer associations to bring discrimination cases before the responsible enforcement authorities.

#### **7. SANCO Multi-stakeholder Dialogue on Environmental Claims and Price Comparison Websites**

EC (Mr Jeroen Van Laer, DG SANCO) gave a presentation on the Multi-stakeholder Dialogue on Environmental Claims (MDEC). He talked about the context in which the dialogue was launched and about its purpose: to provide a better understanding of the use of environmental claims in the different markets and assess the scope of the problem of the misleading environmental claims; identify the challenges in the field of environmental claims that the different stakeholders are facing (i.e. in their role as enforcer, manufacturer, advertiser, consumer association, environmental NGO etc.); map best practices in the field of environmental claims and highlight potential areas of improvement, put forward recommendations on possible measures.

He informed that the dialogue process was launched with the organisation of a Greenwashing workshop as part of this year's European Consumer Summit. Two more meetings have taken place on 8 October and 28 November, limited to around 30 participants to allow for in-depth discussion that will yield concrete policy recommendations. The third meeting is foreseen for 6 February 2013.

He concluded that a report presenting the main findings, conclusions and recommendations from the Dialogue will be presented at the 2013 Consumer Summit (18-19 March 2013). This report will provide input into the reflection on environmental claims' policies at EU level. For example, it will also feed into an EU wide study on environmental claims that will be launched early next year.

- The *BEUC representative* mentioned that the meetings were very interesting with useful exchanges and relevant presentations. She in particular welcomed the involvement of experts from international organisations.

EC (Ms Maria-Myrto Kanellopoulou, DG SANCO) made a presentation on the work of the Multi-stakeholder Dialogue on Comparison Tools (MSDCT). The MSDCT was launched in follow-up to the January 2012 e-Commerce Communication and the May 2012 European Consumer Agenda. It aims at ensuring that the information on products and services which consumers receive through comparison tools, such as price comparison websites, is indeed transparent and reliable. A first workshop was organised as part of the 2012 European Consumer Summit and two more workshops have taken place on 9 October and 27 November. A third meeting has been scheduled for 5 February 2012. A report containing the main findings, conclusions and recommendations from the MSDCT will be presented at the 2013 Consumer Summit (18-19 March 2013). This should serve as a basis for developing at a later stage a set of horizontally applicable EU-wide guidelines or codes of conduct.

- The *Greek representative* shared his positive experience from taking part in the MSDCT meetings and expressed the view that the information exchanged is indeed very useful from the consumer organisations' perspective. He commended the constructive approach and active participation of business representatives in the process.
- The *Dutch representative* made the link between the issues examined by the MSDCT and the on-going disputes between Microsoft and Google regarding the neutrality of online search.
- The *Romanian representative* congratulated the Commission for the initiative. He said that the discussions have been very informative and interesting.
- The *German representative* drew attention to the issue of abusive and biased reviews that often mislead consumers and raise serious competition concerns.
- The *UK representative* referred to on-going initiatives in the UK, aiming at facilitating the comparison of services and helping consumers to switch to a better deal. She also asked how the Commission plans to proceed after the presentation of the MSDCT report at the Consumer Summit.

EC (Ms Maria-Myrto Kanellopoulou, DG SANCO) thanked the ECCG members for the appreciative feedback and stressed that the Dialogue process will touch upon all the major issues mentioned (including user reviews, ranking of offers and switching options). She clarified that the Commission will be taking a step-by-step approach and decisions on follow-up actions will be taken after the 2013 Consumer Summit, based also on the feedback that will be received on the MSDCT report. As already announced, the Commission envisages guidelines or codes of conducts but the choice of instrument will be made at a later stage.

## **8. SWD on knowledge-enhancing aspects of consumer empowerment**

EC (Ms Antonia Fokkema, DG SANCO) made a presentation of the Commission SWD on Knowledge-Enhancing Aspects of Consumer Empowerment 2012 – 2014 "Between knowledge deficits and information overload".

- The *BEUC representative* expressed satisfaction with the policy approaches outlined, and said they hoped other Commission's DGs would adhere to them as well.

Several other representatives (LV, BU, DK, SI) commented on specific points, notably concerning the importance of legal information requirements.

Ms Minor replied that while we know information requirements can be useful, provided the information is properly targeted and designed, but they are also increasingly becoming a point of business criticisms. For example in the discussions about ADR/ODR proposal Council and the Parliament are still at odds about the information requirement that the Commission has included.

EC (Mr Roger Nunn, DG SANCO) introduced the new DG SANCO's education platform for teachers "Consumer Classroom" and Brian Cochrane (DARA Creative) further gave a detailed presentation of the website.

- The *Slovenian representative* pointed to some aspects that could be improved and raised a question mark as regards the teachers' level of expertise. She further inquired about the topics that will be covered.

Ms Minor replied that there are already a few mechanics for the quality control of the material which will be available on the website.

- The *Portuguese representative* sustained the point made by the Slovenian representative as regards the existence of a commercial brand on the website.
- The *Finnish representative* asked whether or not the text would be translated into different languages for countries where there are more than one official language.
- The *Swedish representative* inquired about the possibility of developing a mobile application.
- The *Coface representative* referred to a tool they developed for parents' associations and teachers. A multimedia tool that is looking at how advertising is influencing children behaviour. He said the most difficult point in working with the tools was linked to the translation of the material in other languages and its subsequent adaptation.

EC (Mr Roger Nunn, DG SANCO) answered that as regards quality control, a rating system for the materials is envisaged and also this could be checked by inviting external experts. Consumer education in schools usually doesn't have enough resources. Finally, he informed that also a mobile version will be made available.

- The *Slovenian representative* thinks the main problem is that many schools will not use it. She added that in her opinion someone will have to control the website use.

Ms Minor replied that there are different approaches that can be discussed and it depends from case to case.

## **9. CESEE 2**

The BEUC representative presented the findings of the study on Reinforcing the Consumer Movement in Central, Eastern and South Eastern Europe (CESE 2). The purpose of the survey was to analyse the current situation of consumer movement in Cyprus, Estonia, Malta, Latvia, Slovakia and Slovenia. She pointed towards the main findings of the survey as regards the impact of the economic crisis, main problems encountered in all the surveyed countries, the capacity of national consumer's organisations. She further referred to the recommendations, as regards training and capacity building, business planning and communication.



- The *ANEC representative* added that the situation is similar as regards standardization work in the surveyed countries.

Other representatives (CZ, DK) requested to discuss the recommendations of the study in the next ECCG meeting.

- The *Bulgarian representative* commented that consumer organisations should be partners in ECCs.
- The *Latvian representative* expressed the opinion that for getting things improved, politicians should also play their part.

Ms Carina Törnblom (DG SANCO) said that the recommendations of the study will be shared with the CPN members.

### **30th November –morning session**

#### **11. Air Passenger Right Regulation**

The European Commission (Ms F. Diaz Pulido, DG MOVE) talked about the up-coming revision of the regulation. She explained that the main points for revision were: enforcement, the clarification of rights to ensure uniform interpretation and the need for passengers to be aware of their rights.

As regards the need for raising awareness, a campaign was launched in the airports and will be followed by another one in June 2013.

She further referred to recent ECJ decisions, such as the Sturgeon ruling as confirmed by the TUI/Nelson ruling, which have clarified that the right of passenger with a delay of more than 3 hours is the same as in the case of a cancelled flight; the deadline for going to court as a matter of national law. The ECJ has also clarified that for lost luggage there is a limit of liability and compensation that should be applied by passenger and not by item of luggage i.e.: a family of four person checking 2 bags may each benefit from the limit of liability (around 1 300EUR).

She announced that DG MOVE is now working with all national enforcement authorities to make sure that they properly apply these rulings at national level.

The right to complain and to redress is given particular attention in the scope of the current revision of the regulation.

- The *Danish representative* stressed that the rules are quite strict in the old regulation. She also noted that airlines do not want such strict provisions because of the crisis

Ms F. Diaz Pulido clarified that it is the role of the Commission to strike a balance with all the interests of the stakeholders and in this regards DG MOVE works closely with DG SANCO. EC intention is not to put too much excessive burden on airlines during the crisis and at the same time to preserve consumer's interests and give them better rights and better rules.

- The *Danish representative* pointed out that they are quite satisfied with the existing rules and asked whether EC intends to change them.

Ms F. Diaz Pulido answered that consumers are asking for better protection therefore the rules will be improved, clarified and better applied.

- The *BEUC representative* stressed that it's important to keep the balance right. It's also a matter of fair competition.
- The *British representative* asked about the timing.
- The *French representative* stressed the fact that improvements need to be taken and asked about the issue of bankruptcy?

Ms F. Diaz Pulido answered that it was decided to finalize it before Christmas and it should be expected by the end of February. Answering to France she said that EC is currently working on this issue. As a last point she referred to the current information campaign aiming at raising passengers' awareness, which includes a smartphone application recently developed that helps passenger access their rights in the airports.

## **12. Rules on Flight Time Limitation**

The European Commission (Ms A. Hernandez, DG MOVE) presented the rules on flight time limitation (FTL) referring to the current rules (Regulation 1899/2006 (EU-OPS)) and the necessary transfer under the legal framework of Regulation 216/2008 (EASA Basic Regulation) Art. 8 and 22(2). She clarified that the EU FTL rules are complemented by Member State's safety and social legislation. DG MOVE asked EASA to revise the current rules considering scientific, medical evidence and national practices to aim at further harmonisation and legal certainty. The overall goal is to reach an acceptable level of safety and improve level-playing field. The process consist of the EASA comprehensive assessment of information and stakeholder consultation, the Regulatory impact assessment, the Member State consultation, the EC assessment and consultation and then the Comitology. Member States were consulted in October, to see what they think about EASA proposal. Next step will be to consult other commission services and put forward the proposal on February. The Adoption is foreseen by summer 2013. Among the advantages she listed are the establishment of clearer and safer rules, the goal of harmonization and the fact that social law remains. Among the cons she explained that certain unions consider that the rules proposed by EASA are not sufficiently strict, including some elements below certain national rules.

She clarified that the EC has not taken a position and is assessing EASA proposals and views of Member States and stakeholders. The next step will be the EC interservice consultation, the EC proposal, the EASA Committee, the EP and Council scrutiny, the adoption and the application.

Ms Carina Törnblom (DG SANCO) intervened saying that is a priority to put safety as a basic requirement for consumers. It's important that inputs come from the consumer's associations. Europe has best rules for product safety.

- The *Swedish representative* questioned how is possible to have safer rules that are at the same time below certain national rules.
- The *Dutch representative* asked about the role of scientific evidence for this proposal.
- The *Finnish representative* stressed the fact that according to pilots, they fall asleep during the flight at least one time because they reach the limit.

Ms A. Hernandez answered to the Swedish representative that there are different ways to mitigate the safety risks. This explains the different approaches taken by some Member States and EASA, which may all ensure an equivalent safety level. Moreover, social rules and collective agreement are still applicable. Regarding the question from the Dutch representative, she said that the role of scientific evidence in the EASA proposals can be explained by EASA. Regarding the third question she explained that the pilots' survey on fatigue cannot be considered as evidence that there would be a safety risk associated with the EU FTL rules. The survey report is based on personal perception of fatigue levels and lacks a scientific analytical and comparative approach providing evidence of the root causes of alleged fatigue incidents, of their frequency and of objective risks. Moreover, EASA made an analysis of fatigue related accidents in Europe in the past ten years and this analysis revealed that in all cases the flights limits or rest requirements were in fact not respected by the pilots. There are two obligations under current and proposed FTL rules: for the airlines to plan the duty rosters in a realistic and safe way to make sure that the pilots are well-rested before the flight, and secondly there is also a responsibility of the pilot to be well-rested. And if not, he/she has to report it or abstain from flying.

EASA Expert (Mr J.M. Cluzeau): The mandate of the agency was to review the existing rules and to harmonize them in the light of scientific evidence, we reviewed more than 200 scientific publications and based EASA proposal on 50 studies that were considered relevant for the EU FTL system. As an example, today the rules allow up to 11.45 hours of flight at night. From the studies we conclude it should be lowered to 11 hours. Further we introduced in our proposal additional rest periods to compensate certain flights that can be more tiring.

#### **10. Country presentation: UK**

The *British representative* talked about the new consumer landscape in the UK and the up-coming changes to UK consumer law in 2013-2014.

The Office of Fair Trading (OFT) is being abolished with its competition and national enforcement functions merged with the also abolished Competition Commission (CC) to form a new Competition and Markets Authority (CMA). The CMA will be in operation from April 2014. The OFT's other enforcement roles are handed to a new National Trading Standards Board (NTSB) which will coordinate consumer law enforcement with local government's trading standards departments as well as regionally. Citizens Advice has inherited all publicly funded consumer information, education and advice from the OFT. They've also inherited from Consumer Focus general advocacy work such as on public services and consumer rights. Consumer Focus will be abolished in Spring 2013. Its advocacy functions on energy, postal services and water (in Scotland only) will be housed temporarily in a Regulated Industries Unit (RIU) and may be transferred to Citizens Advice in 2014. According to data from the Which? Consumer Insight Tracker people in UK are most worried about: fuel prices (85%); energy prices (85%); food prices (78%). Consumers lack confidence in both the government and the state of the economy and are reluctant to spend. She further referred to key national consumer debates in the energy and banking sectors.

- The *Greek representative* asked about the reaction of the banks to the "Watchdog Not Lapdog" campaign.
- The *Finnish representative* asked whether Which? will respond to the UK government's review of EU competences – what has the EU delivered for the UK?

- The *British representative* answered that they started seeing reactions. Answering to the second question she clarified that the organisation she works for is assessing to see what contribution they can make.

### **13. 8th Consumer Market Scoreboard**

The EC (Mr Dan Dionisie, DG SANCO) presented the 8th Consumer Market Scoreboard, the market monitoring survey that looks at 51 consumer markets in EU27, Iceland and Norway, and assesses their performance for consumers in terms of comparability, trust, satisfaction, problems & complaints, choice and switching. He mentioned the best performing sectors within the goods and the services markets. Analysis shows a strong negative correlation between the spread of market performance across countries and the average market performance score, which suggests that the more integrated a market is from a consumer viewpoint, the better it performs for consumers. As regards comparability, the study showed that consumers find it particularly difficult to compare mortgage and investment services. The second hand car market ranked as the worst performing in terms of trust, while the highest proportion of consumers reported problems with internet services. Consumers facing problems are more likely to complain about telecom and house maintenance services, as well as new cars and ICT products, and less likely to complain about gambling and lottery services, local transport (tram, bus, metro), and non-alcoholic drinks. Regarding the overall consumer satisfaction, the markets for spectacles and lenses; books, magazine and newspapers; and personal care services performed best, while investment services, mortgages and real estate services got the lowest scores. In terms of choice, gas, postal and electricity services were ranked lowest by consumers. The switching behaviour of consumers and perceived ease of switching was also assessed for 14 relevant markets, showing that consumers are most likely to switch in the telecom markets, and that the vehicle insurance and commercial sport services markets score best on ease of switching. The Scoreboard reported for the first time on harmonized consumer complaints data collected by Member States. In the end Mr Dionisie referred to the in-depth follow-up studies, which will focus on the second-hand cars market and on consumer vulnerability.

Ms Carina Törnblom announced that the Consumer Market Scoreboard would be sent to the Members within a week as it had not yet been published.

- The *BEUC representative* said that BEUC finds the exercise really useful and was using it a lot.

### **10. Country presentation: SK**

The *Slovak representative* described the consumer movement in Slovakia. In Slovakia there are 50 consumer organizations, but just about 7-8 are somehow active. The funding by Ministry of Economy is based on projects and oriented towards three priorities - advisory and mediation, education and court consumer group-actions. The financial support is usually for 5-7 organizations, in total at value about 50-120 thousand EUR. Among the main problems with which the consumer movement in Slovakia is confronted he listed: the absence of an umbrella association, the lack of consumer magazines, the low state financial support that has to be divided by many consumer organisations, the low success in nongovernmental funding, the poor quality of consumer products, the low level of consumer culture – on both – business and consumers side, the poor system of Justice and the lack of an ADR body.

- The *Bulgarian representative* said that while for Slovakia 2004 was the down turning point, for Bulgaria was 2007. He stressed out that the governments should be reminded of their commitments made with the accession.

- The *Luxemburg representative* suggested regrouping the associations.
- The *Slovak representative* agreed that it is a problem to have so many organizations but on the other hand the cooperation proved to be very problematic.

Ms J. Minor pointed out that in this regard the influence of the funding authority it's crucial.

- The *Latvian representative* said that they are also confronting with similar problems and that the most important thing to do is to concentrate on specific issue.
- The *Slovenian representative* said that as the situation in several Member States it's a very problematic and that is a European problem, not just a national problem. In the same time it's a problem of governments as well, not just of consumer organizations. She suggested that support could be given even on project basis and then it could be useful to encourage the organizations to specialize on specific topic.

#### **14. Alternative and Online Dispute Resolution**

The EC (Ms M.C. Russo, DG SANCO) talked about the status of the proposals on Alternative and Online Dispute Resolution. She referred to the progress made since June. She announced that the last trilogue will be held on 5th December and if successful the proposals will be adopted by the end of the year. Key points of the discussions are consumer information and the scope that is maintained as broad as possible (possible exception: health and education).

- The *Luxemburg representative* said that he already sent his comments to the ADR proposal in writing and proposed to circulate the note. He then pointed to the main question that remained open and asked about the obligation of Member States to introduce a residual ADR.
- The *Swedish representative* asked for a clarification on the language regime.
- The *British representative* asked whether the final decision would have to be binding.
- The *French representative* remarked that it was important to have an independent approach. She regrets the changes made on the original proposition which was more stringent on the conditions of independence.
- The *Spanish representative* said that Spain invested a lot in ADR but financing will remain an issue. Therefore sustainability of this type of structure must be considered as well as country differences. Consumers have less access to ADR and have to pay extra for some kind of legal resolution.

Ms M.C. Russo confirmed that the note sent by the Luxembourg representative will be circulated together with a paper on the links between the ADR proposal and the Mediation Directive. She answered on the residual ADR point that the obligation that Member States have is full coverage for all the sectors.

Regarding the second question, the language regime, she answered that the ODR platform should work in all the languages, as a translation system will be provided.

## **15. High-level Expert group on reforming the structure of EU banking sector**

The BEUC representative presented the report of the Liikanen Group. The group had a mandate to assess whether there is a need for structural reforms of the EU banking sector and to issue recommendations with the objective of establishing a banking system that is safe, stable and efficient and serves the needs of citizens, the EU economy and the internal market. Current problems identified by the report are the excessive risk-taking, the complexity, the limited loss absorbency, the ineffective governance and control, the inadequate EU institutional framework, the competitive distortions and implicit subsidies and the inadequate consumer protection. These problems led to a reduced internal market efficiency and level-playing field. The five key recommendations of the report are the separation of trading and deposit entities; the additional separation requirements if risky activities; the use of designated bail-in instruments; the additional capital requirements for trading activities and real estate lending and the control and governance of banks. The expected outcome is less complex, safer, more transparent a more competitive banking sector.

EC (Ms S. Maes, DG MARKT) talked about the state of play of the follow up of the report in the Commission. He stressed that the report is principle based and there is no impact assessment done yet. The Commission closed the public consultation on 13 November 2012.

Ms J. Minor announced that the next meeting will take place 7-8 February 2013 (7 Feb all day, 8 Feb morning only). Information on the topics requested by BEUC will feature on the agenda then, i.e. an update on current initiatives from DG JUST (collective redress, UCP, CESL). She encouraged the participants to send further proposals for agenda points as well as more topics for future Opinions.

Finally she invited members to inform DG SANCO about preferences as to reimbursement for meetings: either a) continuation of present reimbursement procedure for travel to meetings, accommodation and daily allowance *or* b) having all management of travel and accommodation and meals organised in advance by European Commission (as has been done for the Consumer Summit).

End of meeting