



European
Commission

Safety
Trust
Knowledge
Traceability
Transparency
Sweep
ECC

Scoreboards
Openness
Information Rights
Harmonisation
RAPEX
International Cooperation
Consumer
Accessibility
CPC Enforcement
ECC Education

Single Market
Digital
Redress
Safety
Sweep
Rights
Protection
Traceability
Scoreboards
Openness
Empowerment
Consumer
Connected Continent
Simplifying

Information Financial Services
Protection
International Cooperation
CPC
Safety
Knowledge
Transparent
Empowerment

Sweep
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REPORT ON CONSUMER POLICY

JANUARY 2012 – DECEMBER 2013

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INTRODUCTION

This Staff Working Document is the second consolidated “Report on Consumer Policy”. It responds to a request by the Internal Market and Consumer Protection Committee of the European Parliament (IMCO) in March 2010 inviting the Commission to inform periodically the other European institutions, consumer organisations and policy makers on how consumer interests are integrated in the relevant areas of activity of the European Union.¹

Following up on the IMCO invitation, the Commission published in May 2012 the first “Report on Consumer Policy”² as an annex to the European Consumer Agenda.³ That first report covered the period from July 2010 to December 2011 and presented the Commission's action across the complete policy spectrum from safety of products and services, information and education, rights and redress, enforcement, to consumer aspects in other policy areas. It provided an overview of Commission initiatives (both horizontal and sectoral) having a direct impact on consumer empowerment and protection, including actions focused on vulnerable consumer groups.

The main purpose of the present report, which covers the period from January 2012 to December 2013, is to inform about the state of play and progress achieved for the policies and measures announced under each of the four pillars of the European Consumer Agenda:

- Promoting consumer **safety** by introducing new rules on product safety, market surveillance and product traceability.

The Commission adopted a package consisting of proposals for a new Regulation on consumer product safety replacing the current General Product Safety Directive and a new Regulation on market surveillance. In addition to meeting this commitment under the Consumer Agenda, a series of other actions were launched to ensure the safety of European consumers.

- Enhancing **knowledge of consumer rights** by providing educators and consumers with adapted information and materials on consumer protection.

To enhance knowledge of consumer rights the Commission launched a number of user friendly websites and databases and carried out

¹ Report on consumer protection, 2009/2137(INI), 2.3.2010, Rapporteur: Anna Hedh, §3, p. 6.

² First “Report on Consumer Policy (July 2010 - December 2011)”, SWD(2012) 132 final, Brussels, 22.5.2012, at http://ec.europa.eu/consumers/strategy/docs/report_consumer_policy_2012_en.pdf

³ “ A European Consumer Agenda - Boosting confidence and growth”, COM(2012) 225 final, Brussels, 22.5.2012, at http://ec.europa.eu/consumers/strategy/docs/consumer_agenda_2012_en.pdf

information campaigns covering specific issues and areas of consumer protection. The Commission also initiated a first set of dialogues with stakeholders – representatives from consumer organisations, business, regulators and national authorities – on two key issues for consumers, namely environmental claims and online comparison tools.

- Strengthening the enforcement of consumer rules.

During the reporting period, enforcement was an absolute priority for the Commission, Member States and traders. The 2013 Consumer Summit was dedicated to this issue and a number of major proposals in enforcement related areas, such as on alternative dispute resolution, online dispute resolution and collective redress, were adopted.

- **Integrating consumer interests** into the key sectoral policies.

As regards the fourth pillar of the Consumer Agenda, the integration of consumer interests into sectoral policies, the Commission focused its attention on a number of priority sectors for consumers: financial services, digital markets, energy, transport, food and sustainable consumption.

In all these areas, during the two years since the adoption of the Consumer Agenda, the Commission has made significant progress on a number of important consumer files in line with its fundamental objective to put consumers at the very heart of the Single Market. Out of the sixty-one actions contained in the Agenda, fifty are now completed and eleven are being pursued. The actions that were completed by the end of December 2013 are presented briefly in this second Report on Consumer Policy 2012 – 2013.

I

IMPROVING CONSUMER SAFETY

Ensuring the safety of food and non-food products and services is a fundamental element of a sound consumer policy. High safety standards and their effective enforcement are the basis for a functioning Single Market in which the European consumers can have trust. At the same time, our safety rules underpin the reputation of European products in global trade.

1 • PRODUCT AND SERVICE SAFETY

Revision of the legislative framework on consumer product safety

In February 2013, the Commission adopted a “Product Safety and Market Surveillance Package” comprising a proposal for a new Regulation on consumer product safety replacing the current General Product Safety Directive, a proposal for a new Regulation on market surveillance, and a multiannual market surveillance action plan for 2013-2015, with 20 actions aimed at ensuring safer and compliant products in the EU.⁴

The two legislative proposals aim at updating the basic rules regarding consumer product safety. Emphasis is put on enhanced product identification and traceability. Moreover, enforcement activity is stepped up through more concerted and determined market surveillance by national authorities across the European Union.

In parallel, the multi-annual market surveillance plan sets out an ambitious list of 20 individual actions to be undertaken until 2015 where coordination of enforcement activities by the Commission can bring tangible benefits to the conduct of market surveillance on the ground.

The key changes pursued by the package are:

- Alignment of the general obligations of economic operators to ensure the safety of all consumer products with clearer responsibilities for manufacturers, importers and

distributors.

- Improved traceability of consumer products throughout the supply chain – enabling a swift and effective response to safety problems (e.g. recalls from consumers and withdrawals from all distributors).
- More effective tools to enforce safety and other product-related requirements and to take action against dangerous and non-compliant products across all sectors through a single set of coherent rules for market surveillance.
- Creation of a more cooperative system of market surveillance across the EU.
- Streamlined procedures for the notification of dangerous products, and synergies between the existing tools for rapid alerts (RAPEX) and other market surveillance information sharing (Information and Communication System for Market Surveillance - ICSMS).

In parallel to the product safety package, particular efforts have been put in ensuring proper cooperation between customs and market surveillance authorities. Tools have also been developed to facilitate the customs task and to ensure a common approach to product safety and compliance controls of imported goods at EU as well as national level.⁵

⁴ <http://ec.europa.eu/consumers/safety/psmsp/>

⁵ http://ec.europa.eu/taxation_customs/resources/documents/common/publications/info_docs/customs/product_safety/guidelines_en.pdf

Outreach actions in countries exporting to the EU

Having regard to the high volume of imported products, especially from China, the globalisation of supply chains and the constant evolution of the markets, international cooperation is an important pillar of the EU's product safety policy.

The Commission continued to work closely with the authorities of its main trading partners pursuing the objectives of "seamless surveillance" and "safety at source". In October 2012, the Commission hosted for the 3rd time the International Product Safety Week⁶ that brought together consumer product safety professionals and stakeholders from around the globe, representing regulators, industry, consumer organisations, standard-makers and test laboratories.

The "RAPEX-China" system is an information exchange system between the EU and China⁷ that delivered further concrete results during the reporting period. Between 2006 and mid-2013 Chinese authorities investigated 2,405 RAPEX notifications. They have taken action, including export stops, against dangerous products in 1,379 cases where they were able to trace back the responsible manufacturer.

Product safety videos were produced by the Commission services to demonstrate EU safety requirements for four selected product groups (pushchairs,

lighters, food imitating products, cords and drawstrings in children's clothes). The videos⁸ are disseminated both by the European Commission and by the Chinese authorities to relevant stakeholders, such as product designers, manufacturers and importers, in China and the EU.

A third Trilateral EU-China-US Consumer Product Safety Summit took place on 28-29 June 2012 in the United States and focused on a cooperative approach ensuring product safety surveillance from factory to front door.

In October 2013, the first joint product safety enforcement action between ten EU Member⁹ States and China came to a conclusion. It is part of a longer term cooperation with the Chinese authorities agreed between the Commission and the relevant Chinese Ministry in 2012. The purpose of this project is to ensure that fewer unsafe products reach Europe and to facilitate the cooperation between market surveillance authorities of both sides. The parties have developed a protocol for exchanging information between the Chinese authorities and European market surveillance authorities. In early 2014 they will carry out the first exchanges of practical information regarding toys coming from China to several ports in the EU and will conduct joint product testing on some of these products.

⁶ http://ec.europa.eu/consumers/events/ipsw_2012/index_en.htm

⁷ The information exchange system is for rapid transmission of data to the Chinese authorities on dangerous non-food consumer products of Chinese origin found on the EU market and notified through the EU Rapid Alert System (RAPEX system) by EU Member States and EFTA/EEA countries.

⁸ The Netherlands (project leader), Germany, UK, Poland, Czech Republic, Hungary, Latvia, Lithuania, Spain, Norway.

⁹ The Netherlands (project leader), Germany, UK, Poland, Czech Republic, Hungary, Latvia, Lithuania, Spain, Norway.

Safety of tourism accommodation services

The issue of safety in relation to tourism accommodation services has been the subject of debate in recent years. In June 2012, a workshop collected stakeholder input on the need for revising Recommendation 86/666/EEC¹⁰ and the possibility to use a voluntary initiative for fire safety developed by the Association of Hotels, Restaurants and Cafés in Europe (HOTREC) known as the MBS (Management, Building, Systems) methodology as a basis for such a revision.

On 25 January 2012 an open conference discussed the possibility to develop an umbrella European Tourism Label for Quality Schemes to increase consumer security and confidence in tourism products and encourage tourism professionals who make genuine efforts to improve services.¹¹

The aim of this initiative is to protect in an adequate way European consumers using tourism accommodation services across the EU against the risk of fire breaking out, the spread of flames and smoke and other risks related to the use of these services irrespective of the choice of destination or type of accommodation.

Revision of the legislative framework on medical devices

The proposals to revise the European medical devices legislation were adopted in September 2012.¹² They consist of proposals for Regulations on medical devices¹³ and in vitro diagnostic medical devices.¹⁴

The objective is to ensure that only medical devices which are reliable, safe and fit for purpose are placed on the market, based on the latest scientific and technological developments. Control processes are proposed to be strengthened. At the same time the new rules retain the flexibility of the legislation that in many cases gives EU consumers access to innovative devices at an early stage. The new and clearer rules will thus foster innovation, and they will also facilitate trade between EU countries to the benefit of both patients and manufacturers.

The key changes introduced by the Regulations are:

- Wider and clearer scope for the legislation, which is extended to include some new products (e.g. implants for aesthetic purposes) and clarified as regards genetic tests;
- Updated risk classification rules, as well as safety and performance requirements, to keep pace with technological and scientific progress;
- Stricter rules for designation and stronger supervision of notified bodies

¹⁰ Council Recommendation of 22 December 1986 on fire safety in existing hotels, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986H0666:EN:NOT>

¹¹ Summary Report on the debate of the Open Conference on the European Tourism Quality Label, Brussels, 25.1.2012. Study on the estimated impacts and possible options and legal instruments of the umbrella European tourism label for quality schemes, Brussels, September 2012; both at http://ec.europa.eu/enterprise/sectors/tourism/quality-label/index_en.htm

¹² http://ec.europa.eu/health/medical-devices/documents/revision/index_en.htm

¹³ COM(2012) 542 final;

http://ec.europa.eu/health/medical-devices/files/revision_docs/proposal_2012_542_en.pdf

¹⁴ COM(2012) 541 final;

http://ec.europa.eu/health/medical-devices/files/revision_docs/proposal_2012_541_en.pdf

- by national competent authorities;
- More powers for notified bodies, to ensure thorough testing and regular checks on manufacturers, including unannounced factory inspections;
- Clearer obligations for manufacturers, importers and distributors, which also apply in case of diagnostic services and internet sales;
- Stricter requirements for clinical evidence to support assessments of devices;
- Reinforced rules on vigilance and market surveillance;
- Improved Eudamed¹⁵ database on devices to provide comprehensive information on products available on the EU market;
- Better traceability of devices throughout the supply chain to enable a swift and effective response in case of safety problems (e.g. recalls);
- Enhanced coordination between national authorities, with the Commission providing scientific, technical and logistic support.

New legislation on cosmetic products

In July 2013 a new EU Regulation 1223/2009¹⁶ came into application strengthening the safety of cosmetic products and streamlining the framework for all operators in the sector. The new Cosmetics Regulation provides a robust, internationally recognised regime, which reinforces product safety taking into consideration the latest technological developments, including the possible use

of nanomaterials. It also contributes to better information about the content of cosmetics. The previous ban and the strict regime aiming at phasing out animal testing were not modified.

The most significant changes introduced by the Cosmetics Regulation include:

- Strengthened safety requirements for cosmetic products: Manufacturers need to follow specific requirements in the preparation of a product safety report prior to placing a product on the market.
- Introduction of the notion of 'responsible person': Only cosmetic products for which a legal or natural person is designated within the EU as 'responsible person' can be placed on the market.
- Centralized notification of all cosmetic products placed on the EU market - via the EU Cosmetic Products Notification Portal (CPNP).¹⁷
- A responsible person will have an obligation to notify serious undesirable effects to competent national authorities. The authorities will also collect information coming from e.g. users and health professionals, and will be obliged to share the information with other EU Member States.
- Colorants, preservatives and UV-filters, including those that are nanomaterials, must be explicitly authorized. Products containing other nanomaterials not otherwise restricted by the Cosmetics Regulation will be the object of a full safety assessment at the EU level, if the Commission has concerns. Nanomaterials must be labelled in the list of ingredients.

¹⁵ http://ec.europa.eu/consumers/sectors/medical-devices/market-surveillance-vigilance/eudamed/index_en.htm

¹⁶ <http://ec.europa.eu/consumers/sectors/cosmetics/regulatory-framework/>

¹⁷ http://ec.europa.eu/consumers/sectors/cosmetics/cpnp/index_en.htm

2. ENFORCEMENT OF AGRI-FOOD CHAIN RULES

Ensuring a high level of health for humans, animals and plants is an EU Treaty objective. Over time the EU has developed a comprehensive body of law designed to prevent and manage risks to animal and plant health and guarantee the safety of the food chain at EU and national level. The law in these policy areas is enforced by means of a common set of rules on official controls to be carried out by the competent authorities in the EU Member States.

Official Controls along the Food Chain

In May 2013 the Commission published a proposal¹⁸ to revise the rules on official controls, establish a legal framework for all official controls along the entire agri-food chain, strengthen enforcement mechanisms for relevant EU rules and enable a more efficient implementation of official controls. In particular, the new rules aim at promoting the smooth functioning of the internal market in the agri-food chain, as well as maintaining a high level of human, animal and plant health protection and animal welfare throughout the length of the chain.

The proposal would increase the transparency of official controls carried out by national authorities, and allows the authorities involved – under certain conditions - to publish information on the results of controls on individual operators, as well as to establish “rating schemes” whereby consumers can consult data on the performance of retailers, restaurants and other

businesses.

The clear rules on transparency are expected to empower consumers to monitor the efficiency and performance of their national authorities when undertaking official controls. Consumers could also better monitor operator performance, for example through food-retailer scoring schemes. Consumers are expected to benefit from rules that ensure the ability of national authorities to address cross-border concerns when they arise, and to perform official controls on products traded on the internet. Finally, specific requirements for the competent authorities to perform official controls directed at detecting and fighting fraudulent practices and the obligation for those authorities to assist each other across borders in case of cross-border violations of agri-food chain rules are expected to provide increased assurance to consumers as to the authenticity and safety of what they eat.

¹⁸ COM(2013) 265 final,

http://ec.europa.eu/dgs/health_consumer/pressroom/docs/proposal-regulation-ep-council_en.pdf

Animal and plant health and seeds

Together with the proposal¹⁹, in May 2013, to reinforce the official food safety controls, the Commission proposed to revise the legal framework governing animal health, plant health and plant reproductive materials.²⁰

The package included proposals for legislation²¹ regulating animal health in the EU based on the principle that “prevention is better than cure”. It aims to improve standards and to provide a common system to better detect and control disease and tackle health, food and feed safety risks in a coordinated way. This enhanced system, allied with better rules on identification and registration, is expected to give those working to protect the food chain, such as farmers and veterinarians, the capability to react quickly and to limit spread of disease and minimise its impact on livestock, and on consumers.

Furthermore, the Commission proposed to upgrade the existing plant health regime in order to prevent new pests in the EU and to protect plant growers as well as the forestry sector. The

proposed rules²² place more focus on high risk trade coming from third countries and increased traceability of planting material on the internal market. The proposed legislation also introduces better surveillance and early eradication of outbreaks of new pest species and financial compensation for growers hit by such quarantine pests.

Finally, the package included a proposal for more simple and flexible rules for the marketing of seeds and other plant reproductive material with the aim to ensure productivity, adaptability and diversity of Europe’s crop production and forests and to facilitate their trading. The new rules are expected to introduce a broader choice for the users thus including new improved and tested varieties, material not fulfilling the variety definition (heterogeneous material), traditional varieties and niche market material.

Overall, consumers are expected to benefit from safer products and a more effective and transparent system of controls along the chain.

¹⁹ See footnote 18.

²⁰ http://ec.europa.eu/dgs/health_consumer/pressroom/animal-plant-health_en.htm

²¹ Reg. on animal health, COM(2013) 260 final, 6.5.2013,

http://ec.europa.eu/dgs/health_consumer/pressroom/docs/proposal_ah_en.pdf

²² Reg. on protective measures against pests of plants, COM(2013) 267 final, 6.5.2013,

http://ec.europa.eu/dgs/health_consumer/pressroom/docs/proposal-regulation-pests-plants_en.pdf

II

MARKET MONITORING: BUILDING THE KNOWLEDGE- BASE FOR CONSUMER POLICY MAKING

Having robust evidence is essential to ensure that consumer concerns are integrated into EU and national policies. Data gathering and analysis at EU level brings scale economies and facilitates benchmarking. Findings from the Consumer Scoreboards, market studies and behavioural research have influenced EU policy in various areas of interest for consumers.

1 • CONSUMER SCOREBOARDS

Consumer Scoreboards are the main tool to monitor how the Single Market is functioning for EU consumers. There are two Scoreboard editions (published on an alternating basis):

- The Consumer Conditions Scoreboard monitors national consumer conditions and the integration of the single market from the consumer perspective. The 7th Scoreboard²³, published in May 2012, showed that consumer environments differ considerably across EU Member States, with the most favourable conditions in Northern and Western Europe. The Scoreboard has identified the persistence of unfair commercial practices and low knowledge of consumer rights among both consumers and businesses as issues of particular concern. It has also shown that, despite the steady growth of e-commerce in recent years, the uptake remains uneven across the EU and consumers are far less confident about buying online from other EU countries as opposed to domestically. The 9th Scoreboard²⁴, published in July 2013, largely confirmed this picture. It also found that there are important socio-demographic differences in consumer conditions. Further research is needed to understand the underlying reasons

for these differences.

- The Consumer Markets Scoreboard tracks the performance with regard to consumer conditions of over 50 markets, accounting for around 60% of household expenditure, using indicators such as comparability of offers, trust in retailers, problems, complaints, satisfaction, switching and choice. The 8th Scoreboard²⁵ of December 2012 confirmed that some key services markets continue to fail consumers, with banking, telecom and energy sectors all below average. Goods markets on the whole were found to be working considerably better in spite of poor results scored by the automotive sector as well as clothing and meat markets. The Scoreboard included, for the first time, the socio-demographic breakdown of results and the analysis of complaints data collected according to the methodology set out in the 2010 Commission Recommendation on the use of a harmonised methodology for classifying and reporting consumer complaints and enquiries²⁶.

In 2013, the Commission services have initiated a methodological revision of its Consumer Scoreboards with the view to rationalizing resources, improving the quality of the Scoreboards and

²³ http://ec.europa.eu/consumers/consumer_research/editions/docs/7th_edition_scoreboard_en.pdf

²⁴ http://ec.europa.eu/consumers/consumer_research/editions/docs/9th_edition_scoreboard_en.pdf

²⁵ http://ec.europa.eu/consumers/consumer_research/editions/docs/8th_edition_scoreboard_en.pdf

²⁶ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:136:0001:0031:EN:PDF>

increasing their policy impact. The aim is to reduce the frequency of the Scoreboards as of 2013 (with each edition released in alternating years rather than each year) and improve the conceptual framework, data sources and indicators used in both Scoreboard editions in order to better monitor enforcement and compliance in the

Single Market.

By showing how the single market is performing for EU consumers, the Consumer Scoreboards play an important role in allowing European and national policy makers and stakeholders to target policy measures to the sectors that perform poorly for consumers.

2 • MARKET STUDIES

In-depth market studies of the underperforming sectors are carried out as a follow-up to the Consumer Markets Scoreboard. They analyse in detail the problems faced by consumers and discuss solutions. In addition to studies of specific sectors, other studies may cover more horizontal issues. A new framework contract for the provision of market studies was signed in December 2013.

Several market studies (on electrical and electronic appliances, meat, internet service provision, voluntary food labelling schemes and digital content products²⁷) were completed in 2012 and 2013:

- The study on electrical and electronic goods²⁸, published in February 2012, looked at price differences between countries, differences in consumer choice in national markets and prices and availability in Internet sales. It found that consumers in some Member States could save up to 35% of the price when buying abroad. When shopping in their

country, consumers can still save 5% on average by shopping online. In addition, online sales offer products that are not available in stores. Greater price convergence across the EU has been found for products where the Internet has a larger share as a sales channel.

- The study on the meat market²⁹, published in May 2013, found that date label, price and the country of origin are the information consumers look for most and this information is also generally available to them (but less so in butchers' shops). Consumers' understanding of information (such as the 'best before' date and the 'low fat' claim) is, however, rather limited. While consumers appear to care about the impact of meat consumption on health, only few look for information regarding nutritional values. The main obstacles to buying specific types of meat such as organic meat or meat with an animal welfare certificate appear to be insufficient

²⁷ Reported separately at p. 30 below: see 2012 Sweep on Digital Content Products.

²⁸ http://ec.europa.eu/consumers/consumer_research/market_studies/electrical_electrical_goods_en.htm

²⁹ http://ec.europa.eu/consumers/consumer_research/market_studies/meat_market_study_en.htm

choice or unavailability together with their higher price compared to regular meat.

- The study on internet service provision³⁰, published in July 2013, found that consumers in EU12 are more likely to have access to fewer providers compared to those in EU15, whereas those residing in rural areas are likely to have access to lower speeds compared to those in metropolitan areas. The study found that persistent barriers to switching providers (early contract termination fees, difficulties in comparing offers, long contract duration and service interruption while switching) hinder consumers from reaping the benefits of competition. Yet, EU consumers could save between 7.3 and 8.6 billion Euro per year by switching to the provider offering the cheapest tariff for the same service characteristics. The study highlighted the considerable detriment to consumers due to internet outages and time spent solving problems.
- The study on voluntary food labelling schemes³¹, published in December 2013, found over 900 such schemes in the EEA. The assessment of the schemes' adherence to the 2010 Commission guidelines for voluntary certification schemes for agricultural products and foodstuffs showed that certification schemes perform better than self-declaration ones, in particular as regards clarity and transparency of information. The results of the consumer survey show that consumers are aware of food labelling schemes, buy labelled products, believe there are benefits to these products and are to some

extent willing to pay a premium price for them. However, consumer trust in the information shown on scheme labels and the level of understanding of this information is rather limited.

Several other studies (on vehicle fuels, second-hand cars, consumer vulnerability, green claims³² and online comparison tools³³) have been launched during this period:

- The vehicle fuels market study (to be finalised by April 2014) investigates consumer conditions in this market by looking among others into consumer understanding and the transparency of information provided through various channels, perceptions on fuel sustainability, the availability of different fuels and retailers, and fuel retail prices.
- The second hand cars study (to be finalised by end of Summer 2014) examines traders' practices vs. the existing regulatory framework (e.g. information provision, guarantees, pre-sale inspections), consumers' ability to make informed choices with the information they receive about the condition of the used car, the main problems experienced by consumers, complaints made and complaints' handling, the quality of after sales customer care/service and what redress consumers can expect to obtain. Particular emphasis is given to the cross-border aspects of this market, bearing in mind the increasing level of the cross-border dimension of second-hand cars sales.
- The consumer vulnerability study (launched through an open tender in November 2013 in response

³⁰ http://ec.europa.eu/consumers/consumer_research/market_studies/internet_services_provision_study_en.htm

³¹ http://ec.europa.eu/consumers/consumer_research/market_studies/food_labelling_en.htm

³² Reported separately at p. 33; see Towards new EU guidance on misleading environmental claims

³³ Reported separately at p. 24; see Comparison tools.

to the European Parliament's resolution on strengthening the rights of vulnerable consumers) aims to map vulnerability patterns across key consumer markets (financial sector, energy and online environment). The study is to identify the key factors generating consumer vulnerability and test – through behavioural experiments – problematic commercial practices as well possible policy responses. Its aim is to identify the consumer policy measures that are most

effective in mitigating consumer vulnerability. The study will also provide recommendations on how to refine evidence gathering and analysis to better reflect and report on the issue of consumer vulnerability in the Single Market.

The findings of the studies can contribute to improving the quality of policy making in areas such as telecoms, financial services, energy, e-commerce, and steer policy options towards the ones that produce more tangible benefits for European consumers.

3 • BEHAVIOURAL STUDIES

Behavioral trials enable policy makers to compare options under more realistic conditions and to tailor policy remedies to the problems in question.

Following the establishment of a new framework contract for behavioural studies in January 2012, the Commission services have launched thirteen such studies in various policy areas in order to find out how people take decisions in a variety of fields, and to test the effects of alternative policy remedies when the evidence suggests that consumers fail to make the most out of the market. In September 2013 a third high-level conference³⁴ (after those in 2008 and 2010) was hosted and an overview of this area³⁵ as well as specific findings of studies conducted thus far were presented.

Many of the behavioural studies launched since January 2012 have a consumer focus. The most consumer-

related studies tackled the transparency and comparability of bank accounts, energy labelling, food labelling, package travel, car CO2 labelling, consumer law for cross-border purchases, hidden fees for the use of credit cards and cross-border healthcare as well as a study whether a standard notice for consumers under the proposal for a Common European Sales Law ensures that a consumer can make an informed choice.³⁶

A number of further studies are ongoing or planned to be launched in 2014. In particular, the on-going study on consumer decision making in online gambling aims to examine how it is possible to better protect minors in online games. Another upcoming study will explore consumer attitudes when it comes to reading, understanding and accepting terms and conditions.

³⁴ http://storify.com/eu_consumer/eunudge-applying-behavioural-insights-to-policy-m

³⁵ Applying Behavioural Sciences to EU Policy-making, see <http://ftp.jrc.es/EURdoc/JRC83284.pdf>

³⁶ http://ec.europa.eu/justice/contract/cesl/survey/index_en.htm

III

ENHANCING KNOWLEDGE AND PROVIDING INFORMATION

Consumers need clear, simple and transparent information at the right time and place to make optimal purchasing decisions. Behavioural researchers have found that consumers often adopt relatively simple ‘rules of thumb’ in making choices and decisions. A large amount of information may distract consumers from focusing on the most important aspects, and cause them to make decisions with less reflection, rather than more.

In short, there is a limit to how much information a consumer can or wants to absorb at the various steps of the purchasing process, and more information is not always better for consumers. However, if designed properly, regulatory information requirements (in either general consumer law or legislation on specific products or services) can contribute to consumer empowerment.

1 • INFORMATION AND AWARENESS-RAISING

Strengthening of European Consumer Centres network (ECC)

The European Consumer Centres provide consumers with information on their rights in their language and assist them in solving cross-border disputes with traders situated in other Member States.

In 2012 and 2013 the ECC network has registered about 145.000 direct contacts with consumers. It helped consumers solve about 65.000 complaints during the reporting period.³⁷ Two thirds of the complaints were solved by the consumers themselves thanks to the advice they received from ECCs. In the remaining cases, the ECCs from the two countries concerned³⁸ worked together and were instrumental in reaching amicable solutions with traders in about half of the cases.

The ECCs are co-funded by the Consumer Programme³⁹ and represent about a quarter of the total envelope. The 2014-2020 Consumer Programme³⁹ foresees a sustained funding for the ECCs in view of their important role in assisting consumers on the ground and raising awareness about their EU rights.

Enterprise Europe Network

It should be straightforward for traders to obtain information about the consumer legislation they have to comply with. Better knowledge of consumer rights among businesses and SMEs contributes to a reduction in the number of conflicts, and facilitates their amicable resolution.

The Enterprise Europe Network (EEN), with the capacity of its nearly 600 member associations in the EU and beyond to disseminate information on consumer legislation to traders, including SMEs, and to increase their awareness of consumer rights, are to play an important role in the effort to increase the knowledge of businesses on the Consumer Rights Directive, that will take effect from 13 June 2014 and introduce new obligations for traders.

Comparison tools

As pre-contractual product information becomes more abundant, complex and technical, consumers increasingly use online and offline tools, publications, websites and mobile applications to compare products and services. Not all such tools provide accurate, clear and reliable information.

A Report from the multi-stakeholder dialogue on comparison tools (MSDCT) was presented at the 2013

³⁷ ECC-Net Annual Report 2012, http://ec.europa.eu/consumers/ecc/docs/report_ecc-net_2012_en.pdf

³⁸ ECCs handle cross-border cases with two countries involved.

³⁹ COM(2011) 707 final, 9.11.2011,

http://ec.europa.eu/consumers/strategy/docs/proposal_consumer_programme_2014-2020_en.pdf

Consumer Summit.⁴⁰ It contains a set of recommendations to improve the transparency and user-friendliness of comparison tools as well as the quality of the information they provide. As a follow-up, a study has been launched on comparison tools and related third-party verification schemes. Results from this study are expected by July 2014 and may inform on possible policy options, such as the development of horizontal guidelines on the functioning of comparison tools.

Campaign on consumer rights

In 2013 a campaign was prepared to raise awareness of consumers and traders about their rights and obligations, which stem mainly from the national transposition of EU directives (in particular the Unfair Commercial Practices Directive, the Unfair Contract Terms Directive, the Consumer Sales and Guarantees Directive and the Consumer Rights Directive).

This campaign relies on multipliers in a number of key Member States to reach its aims, but would also offer opportunities of cooperation to stakeholders in all Member States that are willing to participate on their own account.

The campaign is to kick off in March 2014 focusing, together with the main rights resulting from existing Directives, also on the new rights deriving from the Consumer Rights Directive, which will enter into force on 13 June 2014.

Campaigns in New Member States: Romania, Croatia

A one-year awareness-raising campaign about consumer rights and where to find advice and information in case of a dispute with a seller took place in Romania from June 2012 through to July 2013. Preparations for a similar campaign to be launched in Croatia in September 2014 started in the second half of 2013.

The increased awareness about consumer rights and better access to information and advice about consumer rights notably via internet and social media, as well as improved notoriety of relevant authorities, should help to improve the enforcement of consumer protection rules, and increase compliance with consumer rights obligations by the business community.

Redesign of information websites

Consumers increasingly resort to the internet to search for information on their rights. Keeping the websites attractive and relevant saves time for consumers and assists them with easily finding the information they need.

In this context, a number of websites with information relevant for consumers were redesigned:

- an on-line version of the Europa Diary was published in 2012 and updated in 2013⁴¹;

⁴⁰ http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdct-report_en.pdf

⁴¹ http://ec.europa.eu/consumers/europadiary/index_en.htm

- the information for citizens on europa.eu about consumer rights was concentrated on Your Europe pages⁴²;
- the information for professional users on the DG SANCO website for consumers was revamped in 2013⁴³;
- the new website⁴⁴ “Digital Agenda for Europe” contains information relevant to consumers as well as information on EU legislation protecting consumers in the electronic communications sector;
- information on the rights of passengers travelling in the EU⁴⁵ are also available in the Your Europe website⁴⁶;
- the DG AGRI webpages on Organic farming⁴⁷ were revamped following an evidence-based approach, based on consumers’ expectations and concerns as these came out from an on-line consultation on organic farming.⁴⁸ A specific section dedicated on Consumer trust has been added.⁴⁹

Code on EU online rights

Work to update and enhance information to consumers on their rights online continued in 2012 with the issuing of a Code of EU online rights as a tool for raising awareness about EU citizens’

rights in the digital environment and inspiring trust and confidence among consumers in order to promote greater use of online services in the EU. The “eYou Guide” was archived⁵⁰ on 21 September 2012 and the new Code of EU online rights was published online for easy access by citizens and consumers in December 2012.⁵¹

The Code provides citizens and consumers with a compilation of their key rights under EU legislation which are relevant to the digital environment. These rights are now available in a single publication and dedicated internet websites enabling consumers to find a summary and explanations of their legal rights and obligations, set out in a transparent and understandable way. These basic rights under EU law protect citizens and consumers for instance when using online services, buying goods online, and in case of conflict with their service providers.

A dedicated site of the Code of EU online rights is available in the Digital Agenda for Europe website with summaries of the Code and the full version available in all languages easy to download online. A new section on online rights has been published in the Your Europe website⁵² with additional practical information about these rights for easier understanding by citizens and consumers.

⁴² http://europa.eu/youreurope/citizens/index_en.htm

⁴³ http://ec.europa.eu/consumers/index_en.htm

⁴⁴ <http://ec.europa.eu/digital-agenda/>

⁴⁵ Roaming, Single European Emergency Number 122 and 116000 hotline for missing children.

⁴⁶ Idib, footnote 42.

⁴⁷ <http://ec.europa.eu/agriculture/organic>

⁴⁸ On-line public consultation on organic farming: http://ec.europa.eu/agriculture/newsroom/130_en.htm

⁴⁹ http://ec.europa.eu/agriculture/organic/consumer-trust/index_en.htm

⁵⁰ The “eYou Guide” is a web site created by the European Commission for citizens to learn about EU Internet law, e-commerce, privacy rights online, and copying digital content;

http://ec.europa.eu/archives/information_society/eyouguidenavigation/index_en.htm

⁵¹ <http://ec.europa.eu/digital-agenda/en/code-eu-online-rights>

⁵² http://europa.eu/youreurope/citizens/shopping/buy-sell-online/index_en.htm

Information campaign on consumer credit

In May 2013, the Commission services launched an information campaign⁵³ to raise the awareness of consumers about their credit rights and to encourage them to compare offers in order to buy the credit product most suitable to their needs.

The campaign took place in the four Member States selected as the pilot group (Ireland, Malta, Spain and Cyprus) and ran until February 2014. Its purpose was to raise awareness about the rights consumers have when

they take out credit, as granted to them by the Consumer Credit Directive (CCD). The slogan of the campaign is “Need credit? Don’t just sign. You have rights.” It focused on five key rights and targeted consumers aged between 18 and 35. The effectiveness and impact of the campaign is to be evaluated. Based on the results, the campaign could be extended to additional Member States in 2014-2015.

2 • BUILDING KNOWLEDGE AND CAPACITY

National consumer associations need recognition by national authorities of the important role they have to play. They need support by EU and national authorities and funding that they can rely upon.

Consumer education materials

In order to improve the quality of consumer education in schools and better prepare young consumers to handle the challenges of the marketplace an interactive community site for teachers and educators was developed in 2012 and launched in March 2013.⁵⁴ “Consumer Classroom” is a user-friendly collaborative website where teachers can exchange best practices, views, experiences and materials on consumer education.

The website brings together teaching materials developed across the EU, and includes interactive tools for building lessons and forums together with practical

advice. Its focus is to provide 12 to 18 year-olds with the practical consumer skills that everybody needs.

Training courses on financial advice

In 2012 and 2013 the Commission funded ConFinAd⁵⁵ to develop, organise and conduct training courses on financial services advice. The target group for the training courses were non-profit entities which offer or plan to offer general financial advice to consumers. The aim is to build the capacity of these entities by further

⁵³ http://ec.europa.eu/consumers/citizen/my_rights/consumer-credit/index_en.htm

⁵⁴ <http://www.consumerclassroom.eu/>

⁵⁵ <http://www.conf inad.eu/>

developing their knowledge on financial services and their ability to provide effective general financial advice to consumers in a sustainable manner.

The mapping of these entities was completed in 2012 and served as a basis for the training courses. Courses have taken place in 27 Member States, providing training to about 400 persons. Additional training courses are to take place in 2014 in four Member States.

Promoting the role of consumer organisations

Strong consumer organisations enable consumers to become more effective market participants and receive better advice. They also give them a voice in the political debate by representing their interests.

EU-level consumer organisations received support (operational grants to BEUC in 2012 and 2013) to build the capacity of national consumer organisations to assist consumers. A specific reference to the role of consumer organisations was included in the October 2012 Council Resolution.⁵⁶

As regards capacity-building, a new framework contract was concluded in October 2013. For the design of this new capacity building programme, the findings of a study⁵⁷ were used to identify the scope of current and planned activities of consumer organisations, the related training needs, the forms of training, the ability and willingness of consumer organisations to pay for advanced-level training courses, the factors to improve and maintain the quality of the training programme and the countries and organisations most in need of training.

⁵⁶ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/intm/132794.pdf

⁵⁷ http://ec.europa.eu/consumers/reports/training_needs_of_consumer_organisations_en.pdf

IV

STEPPING UP ENFORCEMENT, IMPROVING IMPLEMENTATION AND SECURING REDRESS

Ensuring that legislation protecting consumer economic interests is effectively enforced is a key priority for the EU. Indeed, the consumer acquis is impressive but it could deliver even better for consumers. As demonstrated by the data and market performance indicators, published in the Consumer Market Scoreboard, consumer conditions are unequal in the EU. A number of horizontal and sectoral initiatives have been taken to strengthen enforcement of consumer rights across the board and in specific areas.

Making use of provisions available within the Consumer Protection Cooperation (CPC) Regulation⁵⁸, links between national consumer authorities have been strengthened to reach common enforcement approaches to address priority issues in sectors most concerned by cross border trade such as travel or e-commerce.

1 • STEPPING UP ENFORCEMENT IN KEY AREAS

2012 Sweep on Digital Content Products

A major outcome of the work of the CPC Network is joint enforcement actions such as “sweeps” whereby the consumer protection authorities, under the coordination of the Commission services, regularly screen on line commercial sites in specific sectors to check whether they comply with consumer rights. If irregularities are discovered, authorities take action against the traders concerned. Sweeps allow early detection and correction of violations and prevent them from spreading further.

In Summer 2012 consumer authorities in 26 Member States, Norway and Iceland checked 330 websites that sell digital content products (games, books, videos, music).⁵⁹ The websites were checked to determine whether information on the key characteristics of the products sold was easily accessible without the use of “small print” practices; whether the websites provided email addresses to which questions and complaints could be submitted; and whether the websites contained fair terms and conditions.

The main problems discovered were:

- Unfair contract terms excluding the consumers’ right to take legal action or denying consumers a right to compensation in cases where the products failed to work.
- Unclear information with regard to the right of withdrawal: due to the

nature of digital downloads, traders are required to inform consumers prior to the purchase that they will not be able to cancel a download once this has started – this was however not the case for 42% of websites checked.

- A lack of mandatory information on the trader’s identity, in particular their email address, depriving consumers from an effective contact channel.

A year later, about 80% of the websites checked were in line with the EU consumer legislation compared to only 50% at the time of the screening⁶⁰ and consumers downloading games, e-books, videos and music are therefore better protected.

In addition to the sweep, the Commission services ordered a complementary study⁶¹ that revealed that no information, or limited information, was provided about geographical restrictions that might apply. Such information is essential to consumers at the beginning of the transaction as they might not be able to complete it after having spent a large amount of time in trying to access or buy a service unavailable to them. Furthermore, when travelling to other EU countries, consumers having lawfully acquired a service or product normally expect to be able to access and use their digital

⁵⁹ http://ec.europa.eu/consumers/enforcement/sweep/digital_content/index_en.htm

⁶⁰ http://europa.eu/rapid/press-release_IP-13-937_en.htm

⁶¹ http://ec.europa.eu/consumers/enforcement/sweep/digital_content/docs/dcs_complementary_study_en.pdf

content without obstacles throughout the Single Market, in the same way they are able to take a physical CD from country to country. Information about geographical restrictions will become compulsory when the Consumer Rights Directive enters into force in June 2014.

This study also revealed that games advertised as “free” often required some payment at a later stage without this being clearly explained up-front. Such practices often target directly children, the most vulnerable of consumer groups, and have led to situations in which parents have run up significant bills by allowing their children to play on their mobile devices. The Commission services together with the national authorities are further reviewing such practices.

Review of the Consumer Protection Cooperation Regulation

The Consumer Protection Cooperation network was set up to allow national enforcement authorities to work closely together to ensure compliance with consumer protection rules across the EU and to tackle cross-border infringement cases. The Consumer Protection Cooperation (CPC) Regulation (2006/2004/EC)⁶² provides the necessary cooperation mechanisms to national authorities, allowing them to take actions on behalf of consumers located in a different country.

The CPC Regulation foresees a review

that is to be completed by the end of 2014. An external evaluation⁶³ was carried out in 2012-2013 and possible improvements of the Regulation were discussed during a high level debate at the Consumer Summit in March 2013.⁶⁴ Various options to strengthen enforcement cooperation were put to a public consultation on 11 October 2013.⁶⁵

The review of the CPC Regulation is expected to lead to a higher level of compliance with consumer protection legislation across the internal market. This can contribute to increase consumer trust and limit consumer harm due to malpractices by traders. More homogeneous levels of enforcement in the internal market can contribute to a more level playing field for law abiding companies, as well as to more competition and transparency in markets.

European Judicial Network

During the reporting period the European Judicial Network (EJN) in civil and commercial matters⁶⁶ intensified work on consumer issues and adopted a Practice Guide on Small Claims⁶⁷ which was distributed to ECCs. The new Guide should make it easier for ordinary citizens to access the courts and seek redress for low value claims quickly and without having to spend large sums of money on legal advice.

Furthermore, the meeting of network contact points in September 2013 was partly dedicated to consumer law

⁶² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:2004R2006:20130301:EN:PDF>

⁶³ http://ec.europa.eu/consumers/enforcement/docs/cpc_regulation_inception_report_revised290212_en.pdf

⁶⁴ http://ec.europa.eu/consumers/enforcement/docs/07032013_consumer_summit_discussion_paper_en.pdf

⁶⁵ http://ec.europa.eu/dgs/health_consumer/dgs_consultations/ca/consumer_protection_cooperation_regulation_201310_en.htm

⁶⁶ https://e-justice.europa.eu/content_ejn_in_civil_and_commercial_matters-21-en.do

⁶⁷ <https://e-justice.europa.eu/fileDownload.do?id=1bc12074-2018-440f-b6bb-570d03f341f2>

issues, which serve a twofold purpose in the EJN: to disseminate information about developments in consumer law raising awareness among legal practitioners (example: The Report on the Implementation of the Unfair Commercial Practices Directive⁶⁸) and to analyse the links between consumer law and civil procedure (example: the case law of the European Court of Justice on unfair terms) aiming at efficient enforcement of consumer law. In addition, the EJN website is in the process of being migrated to the **eJustice**⁶⁹ portal in order to improve access to information on cross-border civil disputes for the general public.

Consumer Law Database

Work has started towards the development of a Consumer Law Database (for consumers, enforcers and legal practitioners) through the consolidation of the Unfair Commercial Practices Database⁷⁰ and the Consumer Acquis Compendium Database.⁷¹

The newly created database is intended to have all the functionalities of the Unfair Commercial Practices Database with improvements. The Consumer Law Database is meant to be regularly updated with new case law, legal articles and other material. It should become a fundamental tool for achieving convergence between the Member States in the application of the Directive and contribute to strengthen enforcement.

Enforcement of the Unfair Commercial Practices Directive

The Commission adopted in March 2013 a Communication⁷² and a Report⁷³ which provide a first assessment of the application of the Unfair Commercial Practices Directive (UCPD) in the Member States as well as an outline of the actions needed to maximize its benefits. The Report concluded that further enforcement efforts should be made by Member States to guarantee a high level of consumer protection, and that the Commission could take a more active role in encouraging a coherent application of the Directive in particular with regard to unfair practices having a cross-border dimension.

The report identified key priority areas for enforcement action: travel and transport, digital/online markets, environmental claims, financial services and immovable property. The Commission services regularly organise thematic workshops with national enforcers on emerging issues in these areas. Two such workshops were organised in 2013 (on digital issues and travel/transport issues). The discussions at the workshops may provide input to the Guidance on the UCPD, which is scheduled for revision in 2014. Furthermore, the Commission will develop enforcement indicators, in cooperation with the Member States, specific to the application of the Unfair Commercial Practices Directive, which will detect shortcomings and failures

⁶⁸ See below at footnote 73.

⁶⁹ http://ec.europa.eu/civiljustice/index_en.htm

⁷⁰ <https://webgate.ec.europa.eu/ucp/public/index.cfm?event=public.home.show>

⁷¹ <http://www.eu-consumer-law.org/index.html>

⁷² COM(2013) 138 final, http://ec.europa.eu/justice/consumer-marketing/files/ucpd_communication_en.pdf

⁷³ COM(2013) 139 final, http://ec.europa.eu/justice/consumer-marketing/files/ucpd_report_en.pdf

that require further investigative and/or corrective action.⁷⁴

These measures should contribute to curbing efficiently and consistently practices targeting consumers across borders or in several Member States.

Towards new EU guidance on misleading environmental claims

Consumers should enjoy better support in easily identifying the truly sustainable choices, and receive better information on the environmental impacts throughout the life cycle of the products that they intend to buy. The European Consumer Agenda also emphasises the need for effective protection of consumers against misleading and unfounded environmental claims.

In this context, a Multi-stakeholder Dialogue on Environmental Claims (MDEC) was launched with representatives of national authorities, consumer associations and business organisations. A report with the main findings and recommendations was presented at the 2013 European Consumer Summit.⁷⁵ The report puts forward key recommendations for the short, medium and longer term, such as the further development of the knowledge base, a revision of the EU guidance on environmental claims and an active enforcement approach by Member States.

As a follow-up to the MDEC report, a study is ongoing on environmental claims in EU consumer markets for non-food products. The study examines the

presence of green claims in different markets and product groups, consumer understanding and behavioural aspects (via online survey and behavioural experiment), the level of compliance with EU legal requirements (in particular the Unfair Commercial Practices Directive), and different enforcement and self-regulatory instruments in a selection of EU and third countries. The study may provide recommendations for future policy initiatives. It has been launched in January 2013 and is expected to be finalised in the first quarter of 2014.

Both reports (from the MDEC and the study) may also feed into the development and possible revision of the Guidance Document of the Unfair Commercial Practices Directive. A thematic workshop on this UCPD guidance is scheduled for April 2014.

Implementation of the Consumer Rights Directive

With a view to contribute to a uniform and correct application, during the reporting period the Commission services provided assistance⁷⁶ to Member States in the transposition of the Consumer Rights Directive⁷⁷ (CRD) that was due by 13 December 2013.

A number of expert meetings were organised to discuss the interpretation of its provisions. The Commission services also developed guidance on the application of the CRD. It is to address in particular the information obligations when selling online digital products. A model that traders can use voluntarily for displaying key information⁷⁸ is

⁷⁴ COM(2013) 138 final, *ibid* at §3.3, p. 8

⁷⁵ http://ec.europa.eu/consumers/events/ecs_2013/docs/environmental-claims-report-ecs-2013_en.pdf

⁷⁶ This is without prejudice to the Commission's assessment of the conformity of the transposition measures and of the correctness of application.

⁷⁷ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:304:0064:0088:EN:PDF>

⁷⁸ See below Consumer Information for online digital products at page 41

expected to be annexed to the guidance. The plans for the guidance and first drafts for the information model were presented at a workshop with Member States and other stakeholders on 11 December 2013. The guidance and the online model are intended to be finalised and published in Spring 2014 before the deadline of 13 June 2014 set up by the CRD for the application of the national transposition measures.

Citizens' Energy Forum

The aim of the Citizens' Energy Forum⁷⁹ is the implementation of competitive, energy-efficient and fair retail markets for consumers. A Price Transparency Working Group⁸⁰ and a Vulnerable Consumer Working Group⁸¹ were established to focus on issues raised in the Forum. The Forum contributes to better policy-making by providing consumers and their associations with an EU-wide platform for a structured stakeholder dialogue in the energy policy area, engagement in direct contact with regulators, industry and national authorities.

The Forum therefore facilitates the integration of consumers' views and positions in policy-making at national and European level, as well as the identification and exchange of best national practices on particular subjects after thorough discussions at working group level. These activities promote processes that enable energy market

development in the best interest of consumers.

Interpretative notes on the Energy Efficiency Directive

On 6 November 2013 the Commission services published guidance notes on the interpretation of the most substantial articles of the Energy Efficiency Directive (EED), including for instance the introduction of new rights for the energy consumers in relation to individual metering and billing⁸² as well as demand response.⁸³

A major additional set of consumer rights has recently been introduced by the Energy Efficiency Directive ensuring that consumers of electricity, natural gas, heating/cooling and domestic hot water are provided with accurate and frequent information based on their actual consumption. The aim is to help consumers to rationalise their own energy consumption and encourage the reduction of wasted energy. The other group of new rights is related to the opening of the market for demand response⁸⁴ to all consumers, who, typically via aggregator companies will be given an opportunity to participate in balancing, reserve and other system services markets. Both groups of consumer rights are intended to enable consumers to better manage their energy consumption and reduce their energy bills.

⁷⁹ http://ec.europa.eu/energy/gas_electricity/forum_citizen_energy_en.htm

⁸⁰ See below at page 49.

⁸¹ See below at page 49.

⁸² Commission Staff Working Document: Guidance note on Directive 2012/27/EU on energy efficiency, Articles 9 - 11: Metering; billing information; cost of access to metering and billing information (SWD(2013)448); <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2013:0448:FIN:EN:PDF>

⁸³ Commission Staff Working Document: Guidance note on Directive 2012/27/EU on energy efficiency, Article 15: Energy transformation, transmission and distribution (SWD(2013)450); <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2013:0450:FIN:EN:PDF>

⁸⁴ Demand Response (DR) activities are actions voluntarily taken by a consumer to adjust the amount or timing of his energy consumption.

Guidelines on Passenger Rights Regulations

Guidelines were issued in June 2012 on the application of Regulation 1107/2006⁸⁵ on passengers with reduced mobility and disabled passengers.⁸⁶ Their aim is to clarify existing EU rules on passenger rights for disabled persons and persons with reduced mobility travelling by air. The guidelines provide answers to 22 questions related to air travel without discrimination. They aim at facilitating air travel for disabled persons and persons with reduced mobility, among others by reducing for instance unjustified refusals or restrictions of reservations or boarding based on unclear safety reasons and limiting inconsistencies in the treatment of passengers.

The publication of guidelines for all modes of transport (air, rail, waterborne, bus and coach) is expected to facilitate and improve the application of different passenger rights regulations across these modes.⁸⁷ Further guidance is planned for rail passenger rights in 2014 and for waterborne and bus and coach transport in 2015.⁸⁸ A broad “information campaign”⁸⁹ covering all modes of transport was launched in June 2013 with the aim of raising travellers’ awareness on passenger rights across all modes of transport.

Guidelines on Article 20(2) of the Services Directives

Article 20 of the Services Directive prohibits discrimination against service recipients on the basis of their nationality or country of residence. The purpose of this provision is to help service recipients, especially consumers, access offers available on the markets of other Member States and make the most of the internal market.

In July 2012 the Commission published a first Communication on the implementation of the Services Directive: A partnership for new growth in services 2012-2015. The Communication was accompanied by three Commission Staff Working Documents, containing detailed analyses of and guidance⁹⁰ on several aspects of the services sectors.⁹¹

Implementation of the revised EU regulatory framework for electronic communications

Following the launch of infringement proceedings for non-transposition of the revised framework, including of Directive 2002/22/EC as amended by Directive 2009/136/EC⁹² which enhanced end-users’ rights as regards electronic communications networks

⁸⁵ “Concerning the rights of disabled persons and persons with reduced mobility when travelling by air”; http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/L_204/L_20420060726en00010009.pdf

⁸⁶ http://ec.europa.eu/transport/themes/passengers/air/doc/prm/2012-06-11-swd-2012-171_en.pdf

⁸⁷ http://europa.eu/youreurope/citizens/travel/passenger-rights/index_en.htm

⁸⁸ As announced in the “European vision for Passengers: Communication on Passenger Rights in all transport modes”, COM(2011) 898 final;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0898:FIN:EN:PDF>, at p. 16.

⁸⁹ http://ec.europa.eu/transport/themes/passengers/campaign/campaign2013_en.htm

⁹⁰ SWD(2012) 146 final, “With a view to establishing guidance on the application of Article 20(2) of Directive 2006/123/EC on services in the internal market (‘the Services Directive’),”

http://ec.europa.eu/internal_market/services/docs/services-dir/implementation/report/SWP_article20.2_en.pdf

⁹¹ http://ec.europa.eu/internal_market/services/services-dir/implementation/implementation_report/index_en.htm

⁹² OJ L 337, 18.12.2009, p. 11;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:337:0011:0036:en:PDF>

and services, full transposition of the regulatory framework in all Member States was achieved in January 2013.

The report on “Market and regulatory developments” published on 18 June 2012 provided a first summary of the transposition and implementation measures at national level.⁹³ The

Commission services have also worked with the Body of European Regulators for Electronic Communications (BEREC) and national regulatory authorities on the implementation of the revised EU rules and the adoption of reports on different aspects related to end-users’ rights under the regulatory framework.

2 • DISPUTE RESOLUTION

During the reporting period, the Commission pursued a number of actions, including legislative ones, aimed at enhancing consumer redress both before the courts and through out-of-court redress mechanisms.

New legislation on Alternative Dispute Resolution (ADR) and Online Dispute Resolution (ODR)

The new legislation on ADR⁹⁴ and ODR⁹⁵ was adopted in June 2013. The ADR Directive will ensure that consumers can turn to quality alternative dispute resolution entities to settle their contractual disputes with traders in virtually all business sectors (exceptions only apply to the health and higher education sectors) in an easy, fast and inexpensive way. It makes no difference whether the goods or services were purchased online or offline, domestically or across borders.

According to the ODR Regulation, an EU-wide online platform will be set

up for disputes that arise from online transactions. The platform will link all the national alternative dispute resolution entities and will operate in all official EU languages. Member States are obliged to transpose the ADR Directive by July 2015. The ODR platform is expected to be operational as from January 2016.

Mediation Directive

Mediation is one of the methods of alternative dispute resolution (“ADR”). The Mediation Directive covers mediation in cross-border disputes arising in civil and commercial matters. A study was launched to evaluate the transposition and application of the Directive; its results are expected to be published in 2014.⁹⁶

⁹³ http://ec.europa.eu/digital-agenda/sites/digital-agenda/files/Telecom_Horizontal_Chapter.pdf

⁹⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:165:0063:0079:EN:PDF>

⁹⁵ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:165:0001:0012:EN:PDF>

⁹⁶ https://e-justice.europa.eu/content_eu_overview_on_mediation-63-en.do

Small Claims procedure

The European Small Claims Procedure (“ESCP”) aims at simplifying and speeding up litigation across borders within the EU of claims of low value, thus reducing the costs of such litigation for claimants involved in cross-border disputes. To make the procedure more accessible to the public the Commission services published a practice guide in 2013.⁹⁷ On 19 November 2013 the College also adopted a proposal to revise the procedure in order to bring more claims within its scope and to make it more accessible by further modernising and simplifying it.

Collective redress

Promoting and streamlining collective redress can improve access to justice and save litigation costs for EU citizens and consumers when a large number of persons are harmed by a practice relating to the violation of rights granted under Union law.

In June 2013 the Commission issued a Recommendation, accompanied by a Communication⁹⁸, inviting Member States to have collective redress mechanisms in place to ensure effective access to justice. Collective redress allows many similar legal claims to be bundled in one single court action thus avoiding many different individual proceedings. The Commission recommends that a series of common principles for collective redress mechanisms apply in all the Member States so that citizens and companies

can enforce the rights granted to them under EU law where these have been infringed. The Recommendation aims to ensure a coherent horizontal approach to collective redress in the European Union without harmonising Member States’ systems. National redress mechanisms should be available in different areas where EU law grants rights to citizens and companies, notably in the areas of consumer protection, competition, environment protection and financial services.

Medical devices: actions for improved application of existing legislation

In the field of medical devices the application of the existing legislation has been further reinforced through the joint action plan on immediate actions following the Poly Implant Prothèse (PIP) breast implants scandal.⁹⁹ This plan targets issues such as approval of products by notified bodies, market surveillance as well as cooperation and coordination between the Member States and the Commission.

Among these actions were the preparation by the Commission services of further guidance with regard to the competence and work of notified bodies and for traceability of products, the launch of monthly vigilance teleconferences and the launch of joint audits of notified bodies by experts from EU countries and the Commission services.

⁹⁷ “Making the Small Claims procedure more accessible”

http://ec.europa.eu/justice/civil/files/small_claims_practice_guide_en.pdf

⁹⁸ http://ec.europa.eu/justice/newsroom/civil/news/130611_en.htm

⁹⁹ http://europa.eu/rapid/press-release_IP-12-119_en.htm

V

ALIGNING RIGHTS AND KEY POLICIES TO ECONOMIC AND SOCIETAL CHANGE

One of the key objectives of the Consumer Agenda is to make sure that consumer rights and key policies are in line with current technological and societal developments; in particular, to ensure that consumers can take full advantage of the digital single market and have access to the digital products and services they want, easily, legally and affordably.

The need to consider consumer interests was taken into account from the outset in the design and implementation of sectoral policies of key importance for consumers, such as in the food chain (sustainability, safety and reduction of waste), energy (best value for money and better energy consumption management tools), financial services (protection of the financial interests of consumers and tools to manage their finances), and transport (legislation adapted to modern patterns of travel and sustainable mobility).

1 • DIGITAL

Digital technology is fundamentally transforming the way consumers shop, get information and interact with each other. The digital sector is the area where consumer policy can make a major contribution to growth. A study on e-commerce in goods¹⁰⁰ showed that consumers already gain a lot from e-commerce in terms of lower online prices and wider choice but that the untapped potential is still significant. If e-commerce were to grow to 15% of the total retail sector and current barriers to the EU Digital Single Market were eliminated, total consumer welfare gains are estimated at around €204 billion (1.7% of EU GDP).

Each of the pillars of consumer policy as laid down in the Consumer Agenda, entail important digital aspects: safety of the production chain can be significantly strengthened through digital technologies allowing faulty products to be more easily traced and recalled; “smart tags” on products offer more space for providing consumers with comprehensive information on their smartphone screens and online tools, such as the new “Consumer Classroom”,¹⁰¹ make consumer education more effective and appealing. The new ODR platform, once operational, is expected to facilitate consumers seeking out-of-court redress online and national authorities can gain from building up their e-enforcement capacities.

At the same time, as digital technologies affect an ever bigger part of consumers’ daily lives, all policies relevant to the Digital Single Market benefit from systematically taking into account consumer rights and consumers’ rapidly changing needs in the digital environment. In order to broaden and deepen the discussion with stakeholders on a number of emerging issues in this area, the next European Consumer Summit in April 2014 is to be entirely dedicated to digital.

Data Protection Package

In January 2012, the Commission adopted a comprehensive legislative package to reform European data protection rules. The proposals update and modernise the principles enshrined in the 1995 Data Protection Directive¹⁰² to guarantee privacy rights in the future.

They include a policy Communication¹⁰³ setting out the Commission's objectives and two legislative proposals: a Regulation¹⁰⁴ setting out a general EU framework for data protection and a Directive¹⁰⁵ on protecting personal data processed for the purposes of

¹⁰⁰ http://ec.europa.eu/consumers/consumer_research/market_studies/docs/study_ecommerce_goods_en.pdf

¹⁰¹ See above at page 30.

¹⁰² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31995L0046:en:NOT>

¹⁰³ COM/2012/09 final;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012DC0009:en:NOT>

¹⁰⁴ COM(2012) 11 final;

http://ec.europa.eu/justice/data-protection/document/review2012/com_2012_11_en.pdf

¹⁰⁵ COM/2012/010 final;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012PC0010:en:NOT>

prevention, detection, investigation or prosecution of criminal offences and related judicial activities.

The proposals secure a number of rights and benefits to the consumers. Consumers can refer to the data protection authority in their country, even when their data is processed by a company based outside the EU. Wherever their consent is required for data to be processed, consent has to be given explicitly, rather than assumed. Further, consumers can have easier access to their own data and be able to transfer personal data from one service provider to another more easily (right to data portability). Finally, a new 'right to be forgotten' can help consumers better manage data protection risks online: people will be able to delete their data if there are no legitimate grounds for retaining it.

Consumer Information for online digital products

In order for consumers to be able to act as confidently in the market for online digital products as they do in high street shops, they must easily understand the offers and be able to compare them.

With the application of the national measures transposing the Consumer Rights Directive¹⁰⁶ in the Member States in June 2014, consumers of online digital content will have new rights to pre-contractual information. In particular, additional information on functionality and interoperability will have to be provided by the trader before the conclusion of the contract.

The Commission services are currently consulting consumer and industry representatives, as well as Member State authorities, on a possible model for displaying key information that could ensure transparency and comparability of offers. Such a model was mentioned in the 2013 Citizenship Report as a concrete contribution to ensure that EU citizens can enjoy these rights in their daily lives.¹⁰⁷ It could help online consumers save time and money, make it simpler for them to spot dishonest traders, and reduce the barriers that keep inexperienced consumers from purchasing online digital content.

Collective rights management

In February 2014 the European Parliament adopted a proposal¹⁰⁸ for a directive on collective rights management and multi-territorial licensing of rights in musical works for online uses. The Directive aims at ensuring that right-holders have a say in the management of their rights and envisages better functioning collecting societies as a result of the set standards all over Europe. The Directive also aims at easing the licensing of authors' rights for the use of music on the internet.

The new rules can facilitate the rolling out of new services in particular in the online world across the single market. This in turn can lead to improved access to and more offer of music online, with European consumers benefitting from a wider variety of creative content but also from an easier access to national and niche repertoires, beyond the traditional national boundaries.

¹⁰⁶ 2011/83/EU final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:304:0064:0088:EN:PDF>

¹⁰⁷ COM(2013) 269 final, Action 9; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0269:FIN:EN:PDF>

¹⁰⁸ COM(2012) 372 final; http://ec.europa.eu/internal_market/copyright/docs/management/com-2012-3722_en.pdf

Private copying levies

In its Communication of May 2011 on a single market for intellectual property¹⁰⁹ the Commission identified private copying and reprography levies as one of the areas requiring further action. In November 2011 António Vitorino, former Commissioner for Justice and Internal Affairs, was entrusted with the task of presiding over a stakeholder dialogue on levies involving all the key stakeholders representing consumers, right-holders, collecting societies, the ICT industry and SMEs. This mediation was completed with the presentation of Mr. Vitorino's recommendations in January 2013.¹¹⁰ As a result of the mediation, there is now a clear view of the expectations of consumers and other stakeholders as regards a policy initiative in this area.

The Cloud Computing Strategy¹¹¹ states that on the basis of the outcome of this process the Commission will inter alia assess whether there is a need to clarify the scope of the private copying exception and the applicability of levies, in particular the extent to which cloud computing services allowing for the direct remuneration of right holders are excluded from the private copy levy regime. In December 2013, the Commission services launched a public consultation on the reform of the EU copyright framework, including on private copying levies.¹¹²

Protecting children from misleading advertising

The Commission assessed in the context of the Unfair Commercial Practices Directive¹¹³ (UCPD) the rules aimed at protecting children from misleading advertising. Children are a specific category of vulnerable consumers and benefit as such from additional protection through Annex I of the UCPD, which specifically prohibits in point 28 the practice of “including in an advertisement a direct exhortation to children to buy advertised products or persuade their parents or other adults to buy advertised products for them”. According to the Report¹¹⁴ published in March 2013 “the experience and data gathered show that further efforts should be made to strengthen the enforcement of the UCPD in relation to vulnerable consumers, such as elderly persons, children/teenagers and other categories of citizens who find themselves in a situation of weakness”.

Mobile applications, online games and social network sites directed at children typically mix together entertainment, information and advertising elements. Some of these services and products invite children to enter into agreements and make purchases beyond the limits of their legal competence. A behavioural study on online marketing to children (to be launched at the beginning of

¹⁰⁹ COM(2011) 287 final;

http://ec.europa.eu/internal_market/copyright/docs/ipr_strategy/COM_2011_287_en.pdf

¹¹⁰ http://ec.europa.eu/internal_market/copyright/docs/levy_reform/130131_levies-vitorino-recommendations_en.pdf

¹¹¹ COM(2012) 529 final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0529:FIN:EN:PDF>

¹¹² http://ec.europa.eu/internal_market/consultations/2013/copyright-rules/index_en.htm

¹¹³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2005:149:0022:01:en:HTML>

¹¹⁴ COM(2013) 139 final; http://ec.europa.eu/justice/consumer-marketing/files/ucpd_report_en.pdf

2014) is to assess the awareness and understanding by children in various age brackets of sophisticated marketing techniques directed at them in online games, mobile applications and social media. Advertisement of alcohol on social media sites and other websites popular for children is also an area of concern, and the study is to conduct focus groups with children on this topic. Finally, the study is to include an EU-wide survey with parents of online active children to test their awareness and understanding of online marketing techniques directed at children.

The study is expected to provide evidence to support efforts in assessing the need for self-regulation or further regulation aimed at guaranteeing an appropriate level of protection of children acting as consumers in the online sector, for instance whether there is a need to update the part on children as vulnerable consumers in the Guidance document to the Unfair Commercial Practices Directive.

Electronic identification, authentication and signature

The Commission proposed in June 2012 a new Regulation¹¹⁵ on electronic identification and trust services for electronic transactions in the internal market. The proposal is currently under negotiation in the European

Parliament and Council. The new rules should enable cross-border and secure electronic transactions in Europe. Electronic identification (eID) and electronic trust services (eTS - namely electronic signatures, electronic seals, time stamp, electronic delivery service and website authentication) are inseparable by essence when analysing the requirements needed to ensure legal certainty, trust and security in electronic transactions. In this regard, the proposal would ensure that people and businesses can use their own national electronic identification schemes (eIDs) to access public services in other EU countries where eIDs are available. It would also create a European internal market for eTS by ensuring that they work across borders and have the same legal status as traditional paper based processes.

The proposed rules can benefit several categories of online users, citizens and consumers, for instance students registering for a foreign university online rather than having to travel abroad to complete the paper work in person, citizens arranging a move to another EU country or a marriage abroad or submitting tax declaration online to another Member State, and patients needing medical assistance abroad and securely authorising a doctor to access their online medical records.¹¹⁶

¹¹⁵ COM(2012) 238 final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0238:FIN:EN:PDF>

¹¹⁶ A first step in this regard is the adoption of the Guidelines on Patient Summary Dataset for Electronic Exchange by the eHealth Network in November 2013;

http://ec.europa.eu/health/ehealth/docs/guidelines_patient_summary_en.pdf

Cloud computing

In September 2012 the Commission adopted a strategy for "Unleashing the Potential of Cloud Computing in Europe".¹¹⁷ The strategy outlines actions that could potentially deliver a net gain of 2.5 million new European jobs, and an annual boost of EUR 160 billion to EU GDP (around 1%), by 2020. The strategy includes three key actions aiming at:

1. providing contractual parties with a uniform set of safe and fair contract terms and conditions including: i) contract terms and conditions for consumers and small firms, ii) service level agreements for professional users, iii) Data Protection Code of conduct¹¹⁸ for cloud computing providers to support a uniform application of data protection rules, iv) revision of the standard contractual clauses applicable to transfer of personal data to third countries and adoption of the Binding Corporate Rules;
2. cutting through the jungle of standards and identifying a set of essential standards and security certification schemes to promote interoperability and portability; and
3. establishing a European Cloud Partnership to bring together public authorities and industry consortia to advance the objectives of the strategy towards a digital single market for cloud computing.

In relation to the first action of the strategy, the Commission set up within

the Cloud Select Industry Group (C-SIG) a Subgroup¹¹⁹ on Data Protection Code of Conduct¹²⁰ and started to work with industry to agree on such a code of conduct for cloud computing providers that can support a uniform application of data protection rules. A first version of the code of conduct was sent for approval to the Article 29 Working Party.¹²¹ The code is expected to improve transparency for cloud users when choosing a cloud provider and to ensure that they meet their legal obligations when data is entrusted to a cloud provider. The code can be used by professional users and SMEs using the cloud and could also be further expanded in a later stage to address consumers.

Additionally to the above actions, in October 2013, the Commission set up an Expert Group on Cloud Computing Contracts¹²² to work on safe and fair contractual terms. The objective is to identify best practices for addressing the concerns of consumers and small companies, who are often reluctant to purchase cloud computing services because contracts and claims on environmental benefits are unclear.

The above mentioned initiatives are expected to play an important role in the efforts to increase the uptake of cloud services in Europe as envisaged by the Cloud Computing Strategy and to contribute to the sustainable development of a Digital Single Market.

Consumers and users of cloud services

¹¹⁷ COM(2012) 529 final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0529:FIN:EN:PDF>

¹¹⁸ A draft data protection cloud computing code of conduct is currently circulated within the industry.

¹¹⁹ Involving representatives from cloud suppliers and other industry stakeholders.

¹²⁰ <https://ec.europa.eu/digital-agenda/en/cloud-select-industry-group-code-conduct>

¹²¹ In February 2014.

¹²² Commission decision of 18 June 2013 on setting up the Commission Expert Group on Cloud Computing Contracts, (2013/C174/04); http://europa.eu/rapid/press-release_IP-13-990_en.htm

could derive many benefits from these actions, in particular from the new “best practice” contractual terms and data protection compliance. Cloud users are expected to enjoy interoperability, data portability and reversibility, as well as environmental sustainability of provided services. Finally, citizens can get access to more efficient, more sustainable and less costly cloud services in the area of eHealth, social care, assisted living and eGovernment.

Roadmap for completing the single market for parcel delivery

Some 47% of consumers declare that they worry about delivery in cross-border transactions. Delivery concerns and those relating to product returns are the top two concerns of consumers in relation to online shopping. Delivery failure, damaged or lost items and high delivery costs are also among the top ten concerns of consumers, contributing to low consumer confidence in cross-border e-commerce.

Building on the contributions provided to the 2012 Green Paper on parcel delivery, the Commission adopted in December 2013 a Communication on completing the Single Market for parcel delivery to boost e-commerce in the EU, and to ensure that e-retailers and consumers have access to affordable and high-quality parcel delivery services.¹²³ By framing the role of stakeholders and setting clear objectives, this Communication seeks to increase transparency and information on delivery solutions for all actors

along the e-commerce value chain, to improve the availability, quality and affordability of delivery solutions as well as to enhance complaint handling and redress mechanisms for consumers.

The roadmap contained in the Communication attributes specific tasks to stakeholders and an assessment of progress is intended by mid-2015. It outlines concrete initiatives so that consumers have a better access to information on delivery solutions available as well as complaint handling and redress mechanisms. Operators are also expected to work at improving the availability and affordability of delivery solutions.

Online gambling

In October 2012, the Commission adopted the Communication “Towards a comprehensive European framework on online gambling”¹²⁴, accompanied by a staff working paper.¹²⁵ The Communication proposes a series of initiatives aimed at improving the protection of consumers and citizens in the EU, including minors.

In particular, it foresees the preparation of Recommendations on the common protection of consumers of online gambling services and on responsible gambling advertising. It calls for a common set of principles elaborated at EU level, aiming at ensuring a high level of consumer protection. These principles may include the effective and efficient registration of players, age verification and identification controls, reality checks (account activity, warning signs, signposting to helplines), no credit

¹²³ COM/2013/0886 final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52013DC0886:EN:NOT>.

¹²⁴ COM(2012) 596 final; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0596:FIN:EN:PDF>

¹²⁵ “Online gambling in the Internal Market”, SWD(2012) 345 final, http://ec.europa.eu/internal_market/gambling/docs/121023_online-gambling-staff-working-paper_en.pdf

policy, protection of player funds, self-restriction possibilities (time/financial limits, exclusion) as well as customer support and efficient handling of complaints.

In order to inform further developments, an impact assessment and a study testing consumer behaviour when gambling online are being carried out. The study assesses the behavioural response of consumers to certain preventive measures that already exist, as well as to possible new measures.

The proposed initiatives should provide citizens and consumers with more readily available and transparent information about gambling, awareness about the inherent risks, gambling account activity and adequate monitoring of gambling behaviour. Minors should be better protected through age verification and parental control tools to prevent access to gambling websites.

European Single Market for electronic communications

In September 2013 the Commission adopted a proposal for a Regulation laying down measures concerning the European single market for electronic communications and to achieve the Connected Continent.¹²⁶

The proposal represents an important step towards a fully integrated single market in which the provision of electronic communications networks and services to every customer in the Union and the possibility of each end-user to choose the best offer available on the market is ensured and is not hindered by the fragmentation of markets along national borders. Some

of the main elements of the proposal such as the single authorisation for providers, the European virtual access products and the coordinated spectrum assignment measures would promote cross-border provision of services in the EU and increase consumer choice in terms of services and prices.

Furthermore, the proposal also contains a set of specific measures of direct benefit to citizens and consumers in the EU. Under the proposed roaming rules roaming providers would not be allowed to charge for incoming roaming calls as from 1st July 2014. The proposal also encourages roaming providers to lower inter-operator wholesale costs and pass these cost benefits to end-users by introducing gradually retail offers in which consumers would not pay extra for roaming compared to domestic mobile communications services ('roam-like-at-home').

The proposed Regulation also contains measures to safeguard end-users from excessive prices of fixed and mobile calls made from a consumer's home country to other EU countries. Under the new proposal providers should not charge more for a fixed intra-EU call than they do for a long-distance domestic call. For mobile intra-EU calls, prices should not be higher than the regulated euro-tariffs as a maximum benchmark. Companies would be able to charge higher tariffs only when objectively justified by additional costs or reasonable related margin but arbitrary profits and the related higher prices for consumers as regards intra-EU calls would disappear.

The proposal also aims to guarantee the openness of internet ensuring that consumers are free to access and distribute information and content, run applications and use services of

¹²⁶ COM(2013)627,

<https://ec.europa.eu/digital-agenda/en/news/regulation-european-parliament-and-council-laying-down-measures-concerning-european-single>

their choice via their internet access regardless of the cost or speed of their internet subscription. In particular, the proposal introduces the prohibition of discriminatory blocking and throttling of services. Companies would be able to provide “specialised services” with assured quality (such as IPTV, video on demand, apps including high-resolution medical imaging, virtual operating theatres, and business-critical data-intensive cloud applications) so long as this does not interfere with the internet speeds promised to other customers.

Finally, the proposal also contains new rights and enhanced consumer protection and empowerment measures ensuring the high-level of harmonised end-user protection in the electronic communications sector across the EU. The proposal contains, inter alia,

provisions on cross-border dispute resolution procedures, contractual information requirements, transparency and publication of comparable information including comparison tools, enhanced rights to switch provider or contract, the right to a 12-month contract if one does not wish to have a longer contract and the additional right to terminate the contract after 6-months, the right to walk away from the contract if promised internet speeds are not delivered, facilities to monitor consumption and avoid shock bills, applicability of electronic communications contractual and switching rules to bundle offers, as well as the right to have emails forwarded to a new email address after switching internet provider.

2 • FINANCIAL SERVICES

Ensuring that financial services are working to the benefit of consumers in the current economic climate is an essential component of consumer policy. The markets are complex, and consumers have much to gain from using effectively all tools at their disposal and being aware of the risks that they face. A number of horizontal and sectorial initiatives have been taken in this area.

Payment Accounts

As part of its effort to empower consumers to make informed choices that meet their needs, in May 2013, the Commission adopted a proposal for a Directive¹²⁷ that can make it easier for consumers to compare the fees charged for payment accounts by banks and other payment service providers in the EU. The proposed Directive is expected to

establish a simple and quick procedure for consumers who wish to change from their existing payment account to one with another bank or payment service provider and to allow EU consumers who want to open a payment account, without being residents of the country where the payment service provider is located, to do so.

This initiative was identified as one of the twelve priority actions from the

¹²⁷ COM(2013) 266 final, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0266:FIN:EN:PDF>

Single Market Act II, to stimulate growth and allow both consumers and financial markets to face the challenges posed by the financial crisis more effectively. Consumers are expected to benefit from more transparent and comparable payment account fees. The proposal also aims at facilitating their mobility by making it easier for them to switch from one payment services provider to another and therefore reinforces competition in the financial services market to the benefit of the consumers. Furthermore, it ensures that every EU citizen has the right of access to basic payment account services.

Payment services

In order to adapt the EU payments market to the opportunities of the single market and to support the growth of the EU economy, in July 2013 the Commission adopted a package including:

- A new Payment Services Directive (“PSD2”)¹²⁸;
- A proposal for a Regulation on interchange fees for card-based payment transactions.¹²⁹

The level of interchange fees varies widely between the Member States, which suggests that they do not have a clear justification and create an important barrier between the national payment markets. The proposed Regulation on interchange fees, combined with the revised PSD, is expected to introduce maximum levels of interchange fees for transactions based on consumer debit and credit cards and ban surcharges on these

types of cards. Surcharges are the extra charge imposed by some merchants for the payment by card and are common notably for purchases of airline tickets.

This is important for consumers because interchange fees are included in the retailers’ costs of receiving card payments and are ultimately paid by consumers through higher retail prices. They are unseen by consumers but cost retailers and ultimately consumers tens of billions of euros every year. Capping the interchange fees is expected to remove unjustified surcharging, reduce costs for retailers and consumers and help to create an EU-wide payments market. In addition, it is expected to allow more providers of consumer-friendly on-line payment services on the market.

Overall, these proposals are expected to promote the digital single market by making internet payments cheaper and safer, both for retailers and consumers, and to help create an EU-wide payments market.

Unfair practices in the financial services sector

In March 2013, the Commission published a Communication on the application of the Unfair Commercial Practices Directive (UCPD)¹³⁰ along with a first assessment report¹³¹ on the application of the Directive. According to this assessment, the area of financial services is a critical sector by reason of its complexity and inherent serious risks. Several unfair practices, such as the lack of essential information at the advertising stage and misleading description of products, have been reported in this field. In compliance with Article 3(9) of the UCPD which

¹²⁸ COM(2013)0547 final, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0547:FIN:EN:PDF>

¹²⁹ COM(2013) 550 final, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0550:FIN:EN:PDF>

¹³⁰ COM(2013) 138 final, http://ec.europa.eu/justice/consumer-marketing/files/ucpd_communication_en.pdf

¹³¹ COM(2013) 139 final, http://ec.europa.eu/justice/consumer-marketing/files/ucpd_report_en.pdf

allows Member States to adopt stricter rules in the field of financial services, most Member States have put in place national rules that provide consumers with safeguards which add to and complement those laid down in the UCPD.¹³²

Financial services are one of the key sectors identified in the UCPD Report where enforcement could be stepped up. In February 2014, a workshop is to be organised with national enforcers to discuss the application of the Directive in this specific area.

Packaged Retail Investment Products

Investment products are complex and it can be difficult to compare them or fully grasp the risks involved.

In July 2012 the Commission adopted a proposal for a Regulation¹³³ for a new Key Information Document (KID) to be produced by investment product providers for retail customers who consider buying packaged retail investment products (PRIIPS). The Commission's PRIIPS proposal improves the quality of information that is provided to consumers when considering such investments.

Thanks to these measures consumers could receive information in a format easy to understand. The new, innovative format introduces a product information standard that makes for short, plain-speaking, consumer-friendly documentation. The new KIDs follow a common standard as regards structure, content, and presentation. In this way, consumers could use the documentation to compare different investment products and ultimately choose the product that best suits their needs.

Insurance Mediation Directive

In July 2012 the Commission adopted a proposal¹³⁴ for the revision of the Insurance Mediation Directive¹³⁵ (IMD2). The goal of the Commission's proposal is to upgrade consumer protection in the insurance sector by creating common standards across insurance sales and ensuring proper advice.

The new rules could provide European consumers with better advice on the insurance products most suited to their needs, and clear information in advance on the status of the sellers of the insurance product and the remuneration which they receive.

¹³² See Article 3(9) of the Unfair Commercial Practice Directive and the Study on the application of the Unfair Commercial Practices Directive to financial services and immovable property conducted by Civic Consulting on behalf of the European Commission, DG Justice 2012, available at: <http://ec.europa.eu/justice/consumer-marketing/document>.

¹³³ COM(2012) 352 final, http://ec.europa.eu/internal_market/finservices-retail/docs/investment_products/20120703-proposal_en.pdf

¹³⁴ COM(2012) 360/2, http://ec.europa.eu/internal_market/insurance/docs/consumers/mediation/20120703-directive_en.pdf

¹³⁵ Directive 2002/92/EC of 9 December 2002 on insurance mediation; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0092:EN:HTML>

Implementation of the Consumer Credit Directive

In May 2012 the Commission services published Guidelines on “The application of the Directive in reference to the total cost of credit and the APR”.¹³⁶ The objective is to ensure that all creditors across Europe provide correct information about the costs of credit to the consumers, and to allow consumers to easily compare offers.

Research was carried out on the functioning of the consumer credit market focusing on the practices of creditors and behaviour of borrowers, and on the outcomes of the regulatory choices taken by the Member States. This research is to feed into the Report on the implementation of the CCD that is to be published at the beginning of 2014.

Over-indebtedness

In 2012 a study was conducted on over-indebtedness.¹³⁷ The study aims at providing a systematic and comparable snapshot of the situation of households’ over-indebtedness in all EU Member States. It analyses the causes and nature of over-indebtedness and its effects on citizens’ daily lives and financial

institutions, as well as its wider socio-economic consequences. Finally, it covers the measures in place across the European Union to alleviate the effects of over-indebtedness and the organisations that are active in this field.

The result of the study are to be published in 2014 and are expected to help to identify a list of measures that could be taken to alleviate the impact of over-indebtedness.

Insurance Contract Law

In January 2013 the Commission set up an Expert Group on European Insurance Contract Law¹³⁸ whose mandate was to investigate, if and whether contract law related obstacles deter insurance companies from offering their services to consumers in other Member States.

The Group delivered a report which analyses the obstacles resulting from the differences in the area of general insurance contract law and the specific sectors of life, motor and liability insurance. It identifies contract law differences as one of a number of problems. Without such differences consumers could get to a broader variety of insurance products at a lower premium.

¹³⁶ SWD(2012) 128 final;

http://ec.europa.eu/consumers/rights/docs/guidelines_consumer_credit_directive_sw2012_128_en.pdf

¹³⁷ <http://www.bristol.ac.uk/geography/research/pfrc/news/pfrc1301.pdf>

¹³⁸ Commission Decision of 17 January 2013 on setting up the Commission Expert Group on a European Insurance Contract Law (2013/C 16/03);

<http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupID=2903>

3 • FOOD

The EU Food and Drink industry is a major sector of the European Economy.¹³⁹ An annual turnover of €1,017 billion makes it the largest manufacturing sector in the EU. It employs 4.25 million people, which also makes it the leading employer among manufacturing sectors. With exports worth €86.2 billion, it delivers a positive trade balance of €23 billion.

Labelling

Following the adoption of the Regulation on the provision of food information to consumers¹⁴⁰ the Commission published in December 2013 a Report on the mandatory indication of the country of origin or place of provenance for meat used as an ingredient.¹⁴¹ A Staff Working Document – “Origin labelling for meat used as an ingredient: consumers’ attitude, feasibility of possible scenarios and impacts”¹⁴² – provided detailed information underpinning the findings of the Commission report.

Both the Commission report and the accompanying Staff Working Document are based mainly on the results of an external study by the Food Chain Evaluation Consortium (FCEC), titled “Study on the application of rules on voluntary origin labelling of foods and on the mandatory indication of country of origin or place of provenance of meat

used as an ingredient”.

Once in application (from December 2014), the new food labelling rules are expected to increase consumers’ ability to make informed choices and reduce risks of misleading consumers on the characteristics of the food products.

Nutrition and health claims

The website of the EU Register on nutrition and health claims¹⁴³ lists all authorised, non-authorised and ‘on hold’ claims. To date 253 health claims have been authorised for use on foods. In January 2013 the Commission adopted an Implementing Decision¹⁴⁴ with guidelines for the implementation of specific conditions for health claims laid down in Article 10 of Regulation (EC) No 1924/2006. In September 2013 the Commission adopted a Regulation¹⁴⁵ setting the rules for applications

¹³⁹ “Promoting an EU Industrial Policy for Food and Drink - Competitiveness Report 2013-2014; at http://www.fooddrink.europa.eu/uploads/publications_documents/Promoting_an_EU_industrial_policy_for_food_and_drink.pdf

¹⁴⁰ Regulation (EU) No 1169/2011; OJ L 304, 22.11.2011, p. 18–63; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R1169:EN:NOT>

¹⁴¹ COM(2013)755, http://ec.europa.eu/food/food/labellingnutrition/foodlabelling/proposed_legislation_en.htm

¹⁴² SWD(2013)437, http://ec.europa.eu/food/food/labellingnutrition/foodlabelling/docs/swd_2013_437_en.pdf

¹⁴³ <http://ec.europa.eu/nuhclaims/>

¹⁴⁴ 2013/63/EU, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013D0063:EN:NOT>

¹⁴⁵ Regulation (EU) 907/2013, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:251:0007:0009:en:PDF>

concerning the use of generic descriptors (denominations).

The ongoing implementation of the Regulation on nutrition and health claims ensures that all claims relating to a beneficial nutritional or health effect of foods are based on science and are not misleading for consumers.¹⁴⁶ It also guarantees the free movement of foodstuffs with nutritional and health claims that comply with this Regulation.

Furthermore, a research project funded under the EU 7th Framework for Research (FP7) on 'Role of health-related claims and symbols in consumer behaviour (CLYMBOL)'¹⁴⁷ is running from 1 September 2012 to 31 August 2016. The main objective of CLYMBOL is to determine how health-related symbols and claims, in their context, are understood by consumers, and how they affect purchasing and consumption, taking into account both individual differences in needs and wants and country-specific differences with regard to use of health claims and symbols. Knowledge from this research can contribute towards the development of guidelines for EU policies on health-related symbols and claims, and a set of methods that can be used by policy-makers and industry to assess the effects of health claims and symbols as these appear on the market.

Food for specific groups of the population

In June 2013 the Commission adopted a Regulation¹⁴⁸ on food intended for infants and young children, food for

special medical purposes and total diet replacement for weight control. This Regulation "on food for specific groups", revises the legislation on food for particular nutritional uses and streamlines the rules that apply to foods intended for specific vulnerable groups of the population in the EU. It eliminates outdated rules and replaces them with a new, simplified Framework in which rules are kept only where necessary. The new rules therefore bring more clarity and consistency in the legislative framework of food for specific groups, strengthening consumer protection and ensuring better enforcement by national authorities.

The new Framework will be applicable in 2016. In the meantime, the Commission has also begun to transfer the rules on the content and labelling of foodstuffs suitable for people intolerant to gluten¹⁴⁹ under the Regulation on Food Information to Consumers¹⁵⁰, as foreseen by the revision, with a view to ensure that these rules will also apply to non-prepacked foods.

Sustainable food and food waste

Food and drink consumption is responsible for around 20–30% of the various environmental impacts caused by consumption in the EU.¹⁵¹ There is a risk that the lack of sustainability within the food system will have an impact on the functioning of the system itself, since it depends highly on natural resources and ecosystem services.

¹⁴⁶ http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm

¹⁴⁷ <http://www.clymbol.eu/>

¹⁴⁸ Reg. No 609/2013, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:181:0035:0056:EN:PDF>

¹⁴⁹ Currently under Regulation (EC) No 41/2009, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:016:0003:0005:EN:PDF>

¹⁵⁰ Reg. No 1169/2011, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:304:0018:0063:EN:PDF>

¹⁵¹ http://ec.europa.eu/environment/ipp/pdf/eipro_report.pdf

The Commission services examined the issue of sustainable food, notably food waste. A public consultation¹⁵² was launched in the Summer of 2013 and received 600 replies, including 350 from individuals. The Commission services are currently assessing the responses which appear to be generally favourable for further EU action in this area.

Further, under the 7th Framework Programme for research, EU FUSIONS, a research project on 'food use for

social innovation by optimising waste prevention strategies' that is running from August 2012 to July 2016, is road-testing a number of social innovations that could reduce food waste.¹⁵³

These actions are of direct interest to consumers, because increased awareness of food wasting issues can contribute to savings at household level. Action by food operators to decrease food waste and food losses is expected to lead to more food being available for consumption at lower prices.¹⁵⁴

4 • ENERGY

The Third Energy Legislative Package¹⁵⁵ sets out comprehensive, detailed and specific provisions for energy consumers. The European Council committed itself to ensure that all relevant legislation in relation to the Internal Energy Market (IEM) would be in place by 2014, to ensure integrated electricity and gas markets. The Commission has taken a number of actions to improve the functioning in retail electricity and gas markets, also in the light of the transition from regulated prices towards open competition and possibilities for supplier switching.

These actions have been primarily focussed on the improvement of consumer awareness of their rights and the potential benefits from competition through the development of technologies and services. In addition, and in view of the financial and economic crisis, the Commission has contributed to the support of vulnerable consumer groups by emphasising energy efficiency as part of the solution against poverty and over-indebtedness.

¹⁵² http://ec.europa.eu/environment/consultations/food_en.htm

¹⁵³ <http://www.eu-fusions.org/>

¹⁵⁴ Fruit and vegetable for instance that are not complying with quality standards would be sold at lower prices compared to produce complying with the standards. Likewise, food kept on the shelves closer to the "sell by" date should result in larger amounts of discounted food being available. However, coordinated action along the food chain will be necessary in order to avoid that these price opportunities lead consumers to buying beyond their needs and contributing again to food waste.

¹⁵⁵ http://ec.europa.eu/energy/gas_electricity/legislation/legislation_en.htm

Guidelines on consumer rights in the energy sector

The Communication on “Making the internal energy market work”¹⁵⁶ emphasised the need to protect and enforce consumers’ rights in the Member States. Point 6 of the Action Plan annexed to the Communication established the provision of web-based information on consumers’ rights in the energy sector. The Commission services had previously developed a document entitled “European Energy Consumer Checklist”¹⁵⁷ aiming at providing an easy-to-read understanding of consumers’ rights under EU legislation based on the Electricity and Gas Directives¹⁵⁸, the Energy Efficiency¹⁵⁹ Directive, the Energy Performance of Buildings¹⁶⁰ Directive and the Energy Labelling¹⁶¹ Directive.

The sixth meeting of the European Citizens’ Energy Forum which took place in London in December 2013¹⁶² welcomed the new initiative to promote awareness of consumers’ rights under existing EU legislation through the preparation and dissemination of a document on European Energy Consumers’ Rights, which should clarify what rights consumers are entitled to as a result of European energy legislation and enable them to further engage in the energy markets.

Guidelines on price transparency

The fifth meeting of the European Citizens’ Energy Forum which took place in London in November 2012 endorsed the Report and Recommendations of the Price Transparency Working Group. The Forum welcomed the 10 key recommendations on how to improve transparency in markets while implementing the 3rd Energy Package. Linked to transparency and fair prices for consumers is a better understanding of so-called green offers for electricity. The Forum welcomed the plans of the Council of European Energy Regulators (CEER) to analyse different approaches to defining green offers and to provide advice on how to make this information transparent and accessible for customers.

These actions can help consumers to make better choices thanks to clear and easy-to-understand contracts, transparent prices, information tools on energy sources as well as energy efficiency schemes, clear information on the components of their energy bills and on current and past consumption patterns.

¹⁵⁶ COM(2012)663; http://ec.europa.eu/energy/gas_electricity/doc/20121115_iem_0663_en.pdf

¹⁵⁷ http://ec.europa.eu/energy/agathe_power/pdf/Energy_Consumers_CheckList.pdf

¹⁵⁸ Directive 2009/72 concerning common rules or the internal market in electricity; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0055:0093:EN:PDF>; and Directive 2009/73 concerning common rules for the internal market in gas; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0094:0136:en:PDF>

¹⁵⁹ Directive 2012/27 on energy efficiency; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:315:0001:0056:EN:PDF>

¹⁶⁰ Directive 2010/31 on the energy performance of buildings; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:153:0013:0035:EN:PDF>

¹⁶¹ Directive 2010/30 concerning the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:153:0001:0012:en:PDF>

¹⁶² http://ec.europa.eu/energy/gas_electricity/forum_citizen_energy_en.htm

¹⁶³ http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_WORKSHOP/Stakeholder%20Fora/London%20Fora/5supthsup%20London%20Forum/CEF05_Conclusions.pdf

¹⁶⁴ http://ec.europa.eu/energy/gas_electricity/doc/forum_citizen_energy/2012111314_citizen_forum_meeting_working_group_report.pdf

Vulnerable Consumer Smart grids and meters Working Group

In the context of the Citizens Energy Forum, the Vulnerable Consumer Working Group chaired by the Commission brought together a range of stakeholders from many Member States during 2012 and 2013. The Working Group prepared in October 2012 a table on the drivers of vulnerability to assist Member States with defining the concept of vulnerable customers as required by the 3rd Energy Package. A document setting out examples of Member State instruments and practices was produced to assist Member States with defining suitable policy measures for supporting consumers in a vulnerable situation and those at risk of energy poverty. The final deliverable of the Working Group was a Guidance Document that was endorsed at the Citizens' Energy Forum on 16 December 2013.¹⁶⁵ It proposed a policy mix (energy, social, housing etc.) and recommendations for a wide range of stakeholder groups (regulators, Government, industry, consumer associations, ombudsmen etc.).

The activities of the Group ensure that energy customers and consumers in vulnerable situations receive the support they need and are well informed and able to engage in the rapidly-developing energy retail markets. Such engagement ensures in turn that consumers in vulnerable situations benefit from the best deals and are on the most appropriate tariffs, just like any other consumer.

Work continued towards smarter grids and meters with the support of European Standardization Organizations (CEN, CENELEC and ETSI)¹⁶⁶. Activities included on-going work on the design of retail market models, cost-benefit analysis of smart meter rollout, Guidelines for smart metering systems rollout, including data protection, as well as a data protection impact assessment template (DPIA) and a cyber-security assessment framework.

Smart meters help consumers reduce their consumption and save energy. Further, as smart grids introduce the processing of personal data and integration of ICT on a massive scale, initiatives such as the DPIA promote common methodologies for data controllers, help them anticipate the privacy impacts on the general public and assess the impact on data subjects' rights as well as identify the privacy and data protection shortcomings that need to be addressed. Consequently, they contribute to increase consumer acceptance of smart grid deployment by aiming to ensure that the processing of personal data in the context of smart meters complies with the applicable data protection rules throughout the EU. They also allow data protection authorities to monitor and oversee the processing of personal data and to identify the sensitivity of the information exchanged.

¹⁶⁵ http://ec.europa.eu/energy/gas_electricity/doc/forum_citizen_energy/20140106_vulnerable_consumer_report.pdf

¹⁶⁶ http://ec.europa.eu/energy/gas_electricity/smartgrids/smartgrids_en.htm

Self-production and renewable energy sources

The liberalisation of the electricity markets gives consumers the option to choose freely their energy supply. This includes the option to produce one's own electricity. Such self-production will often come from renewable energy sources and therefore contributes also to decarbonisation objectives as well as helping reduce dependence on imported fossil fuels, reducing local air pollution and fostering economic growth and employment.

The Commission services are looking at the situation of self-consumption, which is especially relevant for solar photovoltaic (PV) systems at household level. As the cost of PV has come down drastically and several Member States have cut traditional forms of support such as feed-in tariffs to PV at small scale level, self-consumption rules are becoming more important to continue the deployment of PV, especially in Southern Europe.

The aim is to foster coherent approaches throughout Member States that favour further PV deployment while allowing for an equitable allocation of network costs in particular. Ways should be pursued to set intelligent incentives for a demand related development of self-production that can help to maximise benefits for local distribution networks in terms of avoided grid costs and losses. In this context, it is important that consumers interested in engaging in electricity generation (individually in self-generation, or collectively in micro-generation activities) are aware of their rights and the corresponding legal framework. The 6th

Citizens' Energy Forum (London, 16-17 December 2013) mandated the European Commission to organise a new multi-stakeholder Working Group in 2014, which will focus on this activity.¹⁶⁷

Evaluation of the Energy Labelling and Ecodesign Directives

Energy labelling, in conjunction with ecodesign, results in a lower energy bill for consumers, as the least efficient products are taken off the market through ecodesign and the choice of more efficient products is facilitated through energy labelling. For example, for fridges the average difference in energy consumption between A+++ and class B appliances is around 160 kWh per year representing about 600 euros over the appliance's lifetime. More effective labelling of energy-related products means better information for consumers thereby facilitating their choice for more efficient products.

Work has started on the evaluation of the Energy Labelling Directive¹⁶⁸ and parts of the Ecodesign Directive, with a view to further improve the effectiveness of the EU's product energy efficiency legislation. Specifically relevant for consumers are the rules and practices that define consumer information on product energy efficiency (i.e. the Energy Label) in the light of recent developments in technology, markets and consumer purchasing habits. For this purpose, a separate study is included on the consumer understanding of the energy label.¹⁶⁹

¹⁶⁷ For the Conclusions of the 6th Citizens' Energy Forum see: http://ec.europa.eu/energy/gas_electricity/doc/forum_citizen_energy/20131220_citizen_forum_meeting.zip

¹⁶⁸ http://ec.europa.eu/energy/efficiency/consultations/201310_evaluation_of_energy_labelling_directive__en.htm

¹⁶⁹ <http://www.energylabelvaluation.eu/eu/home/welcome>

The list of initiatives in 2012–2013 includes:

Adoption of the following Ecodesign implementing regulations¹⁷⁰:

- 206/2012¹⁷¹ Airco and comfort fans
- 547/2012¹⁷² Water pumps
- 932/2012¹⁷³ Household tumble driers
- 1194/2012¹⁷⁴ Directional lamps
- 617/2013¹⁷⁵ Computers and servers
- 666/2013¹⁷⁶ Vacuum cleaners
- 801/2013¹⁷⁷ Networked standby
- 813/2013¹⁷⁸ Heaters
- 814/2013¹⁷⁹ Water heaters

Amending Ecodesign implementing regulations:

- 622/2012¹⁸⁰ Circulators (amending regulation 641/2009)

Energy labelling supplementing regulations¹⁸¹:

- 392/2012¹⁸² Household tumble driers
- 874/2012¹⁸³ Electrical lamps and luminaires
- 665/2013¹⁸⁴ Vacuum cleaners
- 811/2013¹⁸⁵ Heaters
- 812/2013¹⁸⁶ Water heaters

Voluntary Agreements:

- COM(2012)684¹⁸⁷ Complex set top boxes
- COM(2013)23¹⁸⁸ Imaging equipment

¹⁷⁰ http://ec.europa.eu/energy/efficiency/ecodesign/doc/overview_legislation_eco-design.pdf

¹⁷¹ OJ L 72, 10.3.2012, p. 7–27; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0206:EN:NOT>

¹⁷² OJ L 165, 26.6.2012, p. 28–36; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0547:EN:NOT>

¹⁷³ OJ L 278, 12.10.2012, p. 1–10; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0932:EN:NOT>

¹⁷⁴ OJ L 342, 14.12.2012, p. 1–22; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R1194:EN:NOT>

¹⁷⁵ OJ L 175, 27.6.2013, p. 13–33; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0617:EN:NOT>

¹⁷⁶ OJ L 192, 13.7.2013, p. 24; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:192:0024:0034:EN:PDF>

¹⁷⁷ OJ L 225, 23.8.2013, p. 1–12; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0801:EN:NOT>

¹⁷⁸ OJ L 239, 6.9.2013, p. 136–161; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0813:EN:NOT>

¹⁷⁹ OJ L 239, 6.9.2013, p. 162–183; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0814:EN:NOT>

¹⁸⁰ OJ L 180, 12.7.2012, p. 4–8;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0622:EN:NOT>

¹⁸¹ http://ec.europa.eu/energy/efficiency/labelling/doc/overview_legislation_energy_labelling_household_appliances.pdf

¹⁸² OJ L 123, 9.5.2012, p. 1–26;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0392:EN:NOT>

¹⁸³ OJ L 258, 26.9.2012, p. 1–20;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0874:EN:NOT>

¹⁸⁴ OJ L 192, 13.7.2013, p. 1;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:192:0001:0023:EN:PDF>

¹⁸⁵ OJ L 239, 6.9.2013, p. 1–82;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0811:EN:NOT>

¹⁸⁶ OJ L 239, 6.9.2013, p. 83–135;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R0812:EN:NOT>

¹⁸⁷ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0684:FIN:EN:PDF>

¹⁸⁸ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52013DC0023:EN:NOT>

5 • TRAVEL AND TRANSPORT

A snapshot of the 20 key concerns of citizens and businesses in the Single Market¹⁸⁹ shows that consumers continue to find it difficult to defend their rights as passengers. For instance, when their plane is delayed or cancelled, passengers are often not granted the rights they are entitled to according to the EU legislation. When booking holidays online, there are discrepancies in the level of protection consumers enjoy depending on the type of product they buy. Overall, whilst the EU has developed a basic set of passenger rights in all modes of transport (air, rail, waterborne, bus and coach), enforcement could be improved. According to the Commission services¹⁹⁰, possible root causes for this situation are insufficient information about EU rules, lack of proper application of these rules in some Member States and insufficient or complex means of redress. A number of actions in this area are expected to contribute to an equivalent level of protection and rights for passengers, irrespective of the mode of transport they use or the contract they have signed.

Package Travel Directive

In July 2013 the Commission proposed to reform¹⁹¹ the Package Travel Directive¹⁹² in order to respond to a fundamental transformation of the travel market, namely the trend for consumers to increasingly take a more active role in tailoring their holidays to their specific requirements by using the internet to combine travel arrangements rather than choosing from ready-made packages out of a brochure. With its proposal the Commission intends to extend the protection for traditional, pre-arranged packages also to such customised travel arrangements provided that they display features which travellers commonly associate with packages. At the same time a minimum level of protection is created for looser combinations of travel

services, the so-called “assisted travel arrangements”. The update of the 1990 rules means that an additional 120 million consumers who buy customised travel arrangements on the internet would also be protected by the Directive.

The reform is expected to contribute to the protection for consumers by increasing transparency and strengthening protection in case something goes wrong. Better information requirements can ensure that consumers know whether they are buying a package or assisted travel arrangement and the extent of the protection included in their travel arrangement. For packages, the proposal improves existing consumer rights notably by introducing a stricter control on price increases and by improving cancellation rights.

¹⁸⁹ “The Single Market through the lens of the people: A snapshot of citizens’ and businesses’ 20 main concerns”, working document of the services of the Commission, http://ec.europa.eu/internal_market/strategy/docs/20concerns/publication_en.pdf

¹⁹⁰ *Ibid*, p. 16.

¹⁹¹ <http://ec.europa.eu/justice/consumer-marketing/travel/package/>

¹⁹² Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours; <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31990L0314:EN:NOT>

Air Passenger Rights

In March 2013, the Commission adopted a proposal¹⁹³ for a package of measures to ensure that air passengers have new and better rights to information, care and re-routing when their plane is delayed or when they are stranded at the airport. At the same time it introduced better complaint procedures and enforcement measures so that passengers can actually obtain the rights to which they are entitled.

The proposed rules clarify grey areas (rights to information on delayed or cancelled flights; extraordinary circumstances; rights in relation to long delays and tarmac delays; contingency planning; rights to re-routing and rights on connecting flights), give passengers new rights (in the case of rescheduling; misspelt names; new rights with regard to mishandled baggage and transparency requirements for cabin and checked luggage) and strengthen enforcement, complaint-procedures and sanctioning (strengthening oversight of air carriers by national and European authorities through monitoring and joint investigations; organizing the procedures for complaint handling and enforcing individual rights including a requirement on airlines to reply to complaints within two months).

Maritime and Inland Waterway Passenger Rights

Regulation (EU) No 1177/2010 of the European Parliament and of the Council of 24 November 2010 concerning the rights of passengers when travelling by sea and inland waterway and amending Regulation

(EC) No 2006/2004¹⁹⁴ came into force on 18 December 2012.

Thanks to the Regulation passengers' rights in the field of maritime and inland waterway transport are safeguarded in case of cancellation or delay providing for minimum consumer protection rules on assistance and information, reimbursement or re-routing and compensation.

Bus and Coach Passenger Rights

Regulation (EU) No 181/2011 of the European Parliament and of the Council of 16 February 2011 concerning the rights of passengers in bus and coach transport and amending Regulation (EC) No 2006/2004¹⁹⁵ came into legal effect on 1 March 2013.

The Regulation safeguards passengers' rights in the field of bus and coach transport in case of cancellation or delay by providing for minimum consumer protection rules on assistance and information, reimbursement or re-routing and compensation.

Study on passenger rights in urban public transport

In December 2012, a fact finding study on passenger rights in urban public transport was finalised and a platform meeting with stakeholders was organised.¹⁹⁶

The study provides a comprehensive overview of the legal basis at national level for the application of passenger rights covering all modes of urban public transport in each of the Member States and in the selected non-EU countries.

¹⁹³ http://ec.europa.eu/commission_2010-2014/kallas/headlines/news/2013/03/passenger-rights-air-revision_en.htm

¹⁹⁴ OJ L 334, 17.12.2010, p. 1–16

¹⁹⁵ OJ L 55, 28.2.2011, p. 1–12

¹⁹⁶ <http://ec.europa.eu/transport/themes/urban/studies/doc/2012-11-fact-finding-study-passenger-rights.pdf>

Urban Mobility Package

In December 2013 the Commission adopted an urban mobility package¹⁹⁷ aimed at making urban mobility easier and greener. It seeks to harness action at EU level and in the Member States in support of more efficient and more sustainable urban mobility, tackling issues like congestion, road safety, air quality and noise. This can help reduce the negative impacts of transport on the environment, climate and human health and increase the quality of life in towns and cities.

The Package announces reinforced EU-support for facilitating the exchange of best practice and cooperation between cities across Europe as well as financial support for research, innovation and the deployment of sustainable urban mobility solutions. The Commission also called on Member States to create the right conditions so that towns and cities can address their urban transport-related problems successfully.

CO2 car labelling

New and/or better understood CO2 labels and more adapted promotional material can help consumers make better informed choices about cars from an environmental performance point of view.

A behavioural study to test in an experimental setup the effectiveness of possible new variants of car eco-labels and promotional material was carried out, and its results were published in June 2013.¹⁹⁸

Alternative fuel strategy

In January 2013 the Commission announced an ambitious package of measures to ensure the build-up of alternative fuel stations across Europe with common standards for their design and use. The “Clean Power for Transport” package¹⁹⁹ aims at facilitating the development of a single market for alternative fuels for transport in Europe. It includes among others a Communication²⁰⁰ that lays out a comprehensive European alternative fuels strategy for the long-term substitution of oil as energy source in all modes of transport and a proposal for a Directive²⁰¹ on the deployment of alternative fuels infrastructure that requires Member States to adopt national policy frameworks for the market development of alternative fuels and their infrastructure, sets binding targets for the build-up of alternative fuel infrastructure, including common technical specifications, and defines the way of fuel labelling at refuelling points and on vehicles to ensure clarity in the consumer information on vehicle/fuel compatibility.

The initiative can contribute to the attainment of critical mass of alternative refuelling and electric charging points. This can provide an incentive for industry to mass produce alternatively fuelled cars and vessels at affordable prices for a growing market and can boost consumer confidence.

¹⁹⁷ http://ec.europa.eu/transport/themes/urban/ump_en.htm

¹⁹⁸ “Testing CO2/Car Labelling Options And Consumer Information”, http://ec.europa.eu/clima/policies/transport/vehicles/labelling/docs/report_car_labelling_en.pdf

¹⁹⁹ <http://ec.europa.eu/transport/themes/urban/cpt/>

²⁰⁰ “Clean Power for Transport: A European alternative fuels strategy”, COM(2013) 17 final, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0017:FIN:EN:PDF>

²⁰¹ Directive on the deployment of alternative fuels infrastructure, COM(2013) 18 final, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0018:FIN:EN:PDF>

6 • SUSTAINABLE PRODUCTS

Rising consumption around the globe has increased pressure on the environment, including climate change, and created greater competition for resources. The need to move towards more sustainable patterns of consumption and production is in this context more pressing than ever. There are growing concerns about the future of our planet and increasingly, consumers are aware of the environmental impacts of their consumption patterns.

The European Consumer Agenda highlighted the need to encourage consumers and support them with private and public initiatives to adopt more sustainable consumption behaviour: consumers should be assisted, empowered and encouraged to make sustainable choices in the marketplace which will lead to cost savings for themselves and for society as a whole; consumers should be supported in easily identifying the truly sustainable choice and effective tools are needed to protect them against misleading and unfounded environmental claims.

Consumer demand for sustainable products can drive growth and competition, thereby increasing the availability and affordability of such products and rewarding businesses that provide quality goods and services with lower environmental footprints. This could be a “win-win” situation for the economy, the environment and consumers.

Increasing the durability of products

A recent Eurobarometer survey (published on 5 July 2013) showed a very strong support by EU citizens on the indication of the expected life-span of a product (92% in favour). Increasing the useful life of products and improving the possibilities of consumers to find parts and do repairs, can lower the total cost of ownership of these products over time and present the consumer with opportunities for savings.

To achieve sustainable growth underpinned by sustainable consumption, some EU Ecolabel and green public procurement (“GPP”) criteria have been,

or are in the process of being, revised to include durability criteria (e.g. extended warranties, availability of spare parts, etc.).²⁰²

Preparatory studies and reviews to evaluate inter alia the potential of lifetime-extension for energy-related product groups as set out in the three annual working plans under the Eco-design Directive were undertaken. Eco-design²⁰³ durability criteria are in place for several product groups: lamps (lifetime), vacuum cleaners (hose and motor lifetime), or computers/displays (life prolonging sleep mode, automatic power down). In line with the objectives of the Resource Efficiency Roadmap²⁰⁴ the Commission aims at

²⁰² <http://ec.europa.eu/environment/ecolabel/eu-ecolabelled-products-and-services.html>

²⁰³ <http://ec.europa.eu/enterprise/policies/sustainable-business/documents/eco-design/legislation/framework-directive/>

²⁰⁴ COM(2011) 571 final;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0571:FIN:EN:PDF>; at p. 7.

analysing systematically the feasibility of durability criteria for energy-related product groups and is working on integrating resource efficiency criteria in product policies.

Life-cycle environmental performance of products

According to the latest Eurobarometer on Green Products, 48% of European consumers are confused by the stream of environmental information they receive. A unified methodology can not only reduce the cost of marketing environmentally friendlier products across multiple European markets but also enable consumers to compare such products with ease, increasing their trust and their ability to make informed choices in this area.

The Commission adopted in April 2013 the Communication “Building the Single Market for Green Products”.²⁰⁵ The Communication includes a Commission Recommendation on the use of the European methods for the calculation of the Environmental Footprint of Products (PEF) and Organisations (OEF).

As a next step, a 3-year testing phase started in November 2013 to develop product category and sector-specific rules, and test different approaches for business-to-consumer and business-to-business communication.²⁰⁶

2nd Eco-design working plan

The Eco-design Directive²⁰⁷ will gradually cover a growing number of products under the Second Eco-design Working Plan adopted in December 2012.²⁰⁸

The Commission has established an indicative list of twelve broad product groups (incl. window products and power cables) to be considered between 2012 and 2014 for the adoption of implementing measures. According to the principle of better regulation, preparatory studies will collect evidence, explore all policy options and recommend the best policy mix (eco-design and/or labelling and/or self-regulation measures), if any, to be deployed on the basis of the evidence and stakeholder input.

Based on this work, consumers could benefit from products with an improved energy and environmental performance. Making available appliances and products that are more energy efficient should lead to concrete economic benefits to the consumer over the life cycle of the product.

²⁰⁵ COM (2013) 196 final;
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0196:FIN:EN:PDF>

²⁰⁶ <http://ec.europa.eu/environment/eussd/smgp/>

²⁰⁷ Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products, OJ L 285, 31.10.2009, p. 10–35.

²⁰⁸ “Establishment of the Working Plan 2012-2014 under the Ecodesign Directive”, Brussels, 7.12.2012, SWD(2012) 434 final;
http://ec.europa.eu/enterprise/policies/sustainable-business/documents/eco-design/working-plan/files/comm-swd-2012-434-ecodesign_en.pdf

ANNEX:

CONSUMER SCOREBOARD

The two editions of the Consumer Scoreboard²⁰⁹ show how the Single Market is performing for EU consumers in different Member States and facilitate the identification of potential problems. They are a tool for making evidence-based consumer policy. The relevant data allow European and national policymakers and stakeholders to estimate the impact of their policies on consumer welfare and to benchmark performance over time.

The Consumer Markets Scoreboard

The Consumer Markets Scoreboard²¹⁰ tracks the performance of over 50 most important consumer markets. The main ranking of markets is based on the Market Performance Indicator (MPI), which is a composite index taking into account four key aspects of consumer experience:

1. the ease of comparing goods or services,
2. consumers' trust in retailers/suppliers to comply with consumer protection rules,
3. the experience of problems and the degree to which they have led to complaints,
4. consumer satisfaction (the extent to which the market lives up to what consumers expect).

The four components of the index are equally weighted and the maximum total score is 100.

In addition, for the relevant markets, the Scoreboard also monitors the choice of retailers/providers and switching of tariffs/providers.

²⁰⁹ http://ec.europa.eu/consumers/consumer_research/cms_en.htm

²¹⁰ 8th Edition – December 2012 ;

http://ec.europa.eu/consumers/consumer_research/editions/docs/8th_edition_scoreboard_en.pdf

Table 1: MPI for EU-28

(The asterisks indicate statistically significant differences at 5% probability level)

		MPI - Market performance indicator			
		2013 - 2012	2012 - 2011	2011 - 2010	
G O O D S	All markets	77.4	0.3*	0.9*	0.5*
	Books, magazines and newspapers	84.2	0.1	0.4*	0.3
	Non-alcoholic drinks	83.0	0	1*	1.6*
	Bread, cereals, rice and pasta	82.4	-0.1	1.3*	0.9*
	Spectacles and lenses	82.3	-0.1	0.5*	
	Entertainment goods	81.7	-0.2	1*	3*
	Dairy products	81.6	0.1	0.1	
	Small household appliances	81.4	-0.6*	1.4*	1.2*
	Large household appliances	81.3	-0.4*	1.5*	1.2*
	Personal care products	81.3	0	0.5*	1.1*
	Alcoholic drinks	81.3	-0.1	1.2*	0.2
	Electronic products	81.0	-0.3	1.4*	0.9*
	Non-prescription medicines	80.3	0.3	0.6*	1.4*
	Furniture and furnishings	80.2	-0.3	1.4*	1.4*
	All goods markets	80.1	0	0.9*	1.3*
	Maintenance products	80.0	-0.2	1.3*	2.3*
	New cars	79.1	0.5*	0.8*	1.1*
	ICT products	78.8	-0.3	1.3*	1*
	Fruit and vegetables	78.8	-0.4*	1.3*	0.6*
	Clothing and footwear	78.5	1.5*	0.7*	1.2*
Meat and meat products	76.5	-2.1*	1.4*	1.1*	
Fuel for vehicles	76.1	2.4*	-0.2	-1.5*	
Second hand cars	72.6	0.6*	1.2*	0.6*	
S E R V I C E S	Personal care services	82.9	-0.2	0.4*	1*
	Culture and entertainment	82.2	0.2	0.4*	0.2
	Commercial sport services	81.2	0.4*	0.6*	0.8*
	Holiday accommodation	81.0	0.6*	1.1*	0.6*
	Airline services	79.4	-0.1	0.8*	1.2*
	Packaged holidays & tours	79.0	0.1	1.1*	1.2*
	Vehicle rental services	78.6	1.6*	-0.1	0.3
	Cafés, bars and restaurants	78.5	-0.5*	0.3	1.8*
	Vehicle insurance	78.1	0.9*	0.2	0.9*
	Off-line gambling services	76.8			
	Home insurance	76.7	0.3	0.5*	0.6*
	Postal services	76.6	0.8*	-0.9*	-0.4
	All services markets	75.6	0.5*	0.8*	-0.2*
	Tram, local bus, metro	75.5	0.4	-0.7*	-0.1
	On-line gambling services	75.3			
	Vehicle maintenance and repair	75.1	0.6*	1.1*	0.2
	Water supply	75.0	1.2*	0.5*	-1.1*
	Legal and accountancy services	74.9	0.9*	0.6*	
	TV-subscriptions	74.6	0.8*	4*	
	Maintenance services	74.3	0.5*	1.2*	0.3
Fixed telephone services	74.3	-0.4	1.1*	1.2*	
Private life insurance	74.2	1.1*	0.4*		
Gas services	74.1	0.7*	0	0.3	
Loans, credit and credit cards	73.4	0	1.3*		
Mobile telephone services	72.8	0.7*	1.4*	-0.1	
Train services	72.7	1.8*	1.3*	-0.9*	
Internet provision	72.5	-0.2	2.3*	0.9*	
Bank accounts	71.9	0.2	0.7*	0.1	
Electricity services	71.9	0.8*	1.4*	-2.2*	
Real estate services	70.6	1.2*	1.1*	1.1*	
Mortgages	70.6	1.3*	0.5*		
Investment products, private pensions and...	69.9	1.1*	0.7*	3*	

The Consumer Conditions Scoreboard

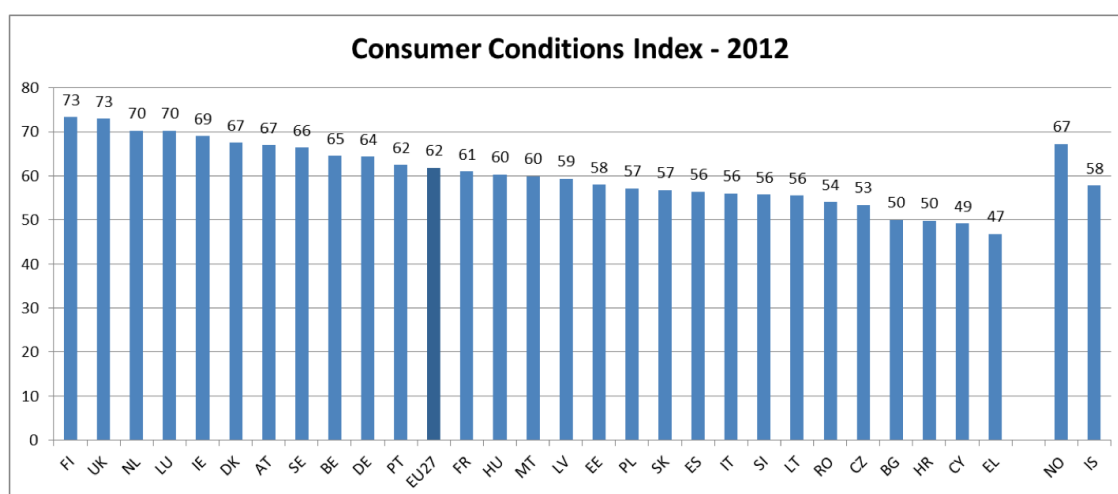
The Consumer Conditions Scoreboard²¹¹ monitors consumer conditions in the different Member States and the integration of the Single Market from the consumer perspective.

The quality of the consumer environment is summarised through the Consumer Conditions Index — a composite index based on 12 indicators reflecting five main aspects of the consumer environment:

- **Feeling protected as a consumer** measured through consumer trust (in public authorities, retailers, consumer organisations and existing consumer protection measures),
- **Illicit commercial practices**, measured through the experience of misleading/deceptive and fraudulent advertisements/offers,
- **Consumer complaints**, measured through consumers' propensity to take action in the event of problems and satisfaction with complaint handling,
- **Redress**, measured through the perceived ease of resolving disputes through courts and out-of-court bodies,
- **Product safety**, measured through consumers' and retailers' trust in the safety of non-food products on the market.

The 12 components of the index are weighted equally and the maximum total score is 100.

Table 2: Consumer Conditions Index — value, 2012



²¹¹ 9th Edition – July 2013;

http://ec.europa.eu/consumers/consumer_research/editions/docs/9th_edition_scoreboard_en.pdf

