



COMMISSION OF THE EUROPEAN COMMUNITIES

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**AVIS DU COMITE DES EVALUATIONS D'IMPACT**

**Proposal for a**

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on the protection of consumers in respect of certain aspects of timeshare, long-term  
holiday products, resale and exchange**

**{COM(2007) 303 final}**

**{SEC(2007) 743}**

**{SEC(2007) 744}**



Brussels, 19 February 2007  
D(2007) 1512

## Opinion

**Title**                                 **Impact Assessment on: Revision of the Timeshare Directive (94/47/EC) (draft version of 23 January 2007)**

**Lead DG**                               **DG SANCO**

### **1) Impact Assessment Board Opinion**

#### **(A) Context**

Directive 94/47/EC provides protection to purchasers in respect of certain aspects of contracts relating to the purchase or the right to use immovable properties on a timeshare basis. The Commission produced a report on the Directive in 1999, which was subsequently followed by Council Conclusions on the implementation of the Directive and which urged the Commission to submit a proposal to amend the 1994 Directive. The European Parliament, in its Resolution of 4 July 2002, has also called on the Commission to study problems associated with transposition of the Directive and to present 'the appropriate legislative instrument' as soon as possible. The impact assessment has been prepared in relation to a proposal to revise the existing Directive to take account of experience and developments since 1994.

#### **(B) Positive aspects**

- (1) The use of the EU SCM to measure potential administrative costs is particularly welcome.**
- (2) A further positive aspect is the attempt by the author DG to develop a hierarchy of multiple objectives which link back to the identified problem.**

#### **(C) Main recommendations for improvements**

*The recommendations below are listed in order of descending importance. Some more technical comments will be transmitted directly to the author DG.*

**General recommendation: This draft IA report needs to include some further clarifications in the problem definition, examination of subsidiarity, and in the justification of the options examined. In addition, the planned monitoring and evaluation should be clarified.**

- (1) The problem analysis should be completed.** The IA report should, to the extent possible in view of data limitations, explain more clearly the current situation, including the size and composition of the market, the level and causes of the market distortions

(being that new activities fall outside the current definition of time share), how these are likely to evolve without this initiative, and existing national legal requirements. Especially where complete data are missing the rationale for EU action should be more clearly elaborated.

(2) The IA report needs to give a **more explicit justification for the range of policy options selected** for further analysis. The reason why some options, including the options of professional licensing or self-regulation, were discarded at an earlier stage of the analysis needs to be better justified. Also the floor of € 1500 should be better justified.

(3) Insofar as the IA report claims **benefits in terms of employment and environment these should be substantiated** and be made specific, and should consider the full picture weighing expected benefits against possible negative impacts that may occur elsewhere. These effects should be put in relation to the market size.

(4) **Planned monitoring and evaluation should be clarified.** The work in preparing the IA has illustrated the difficulties in obtaining comprehensive data on the application and effectiveness of the existing directive in terms of protecting consumers of timeshare. The steps taken to put in place a system to ensure that future data on complaints is disaggregated to allow for easier monitoring and evaluation should be set out in the appropriate section of the IA.

#### **(D) Procedure and presentation**

It appears that all necessary procedural elements have been complied with.

## **2) IAB scrutiny process**

Reference number	2006/SANCO/038
Responsible in author DG	DG SANCO/B/2
External expertise used	No
Date of Board Meeting	7 February 2007
Date of adoption of Opinion	16 February 2007