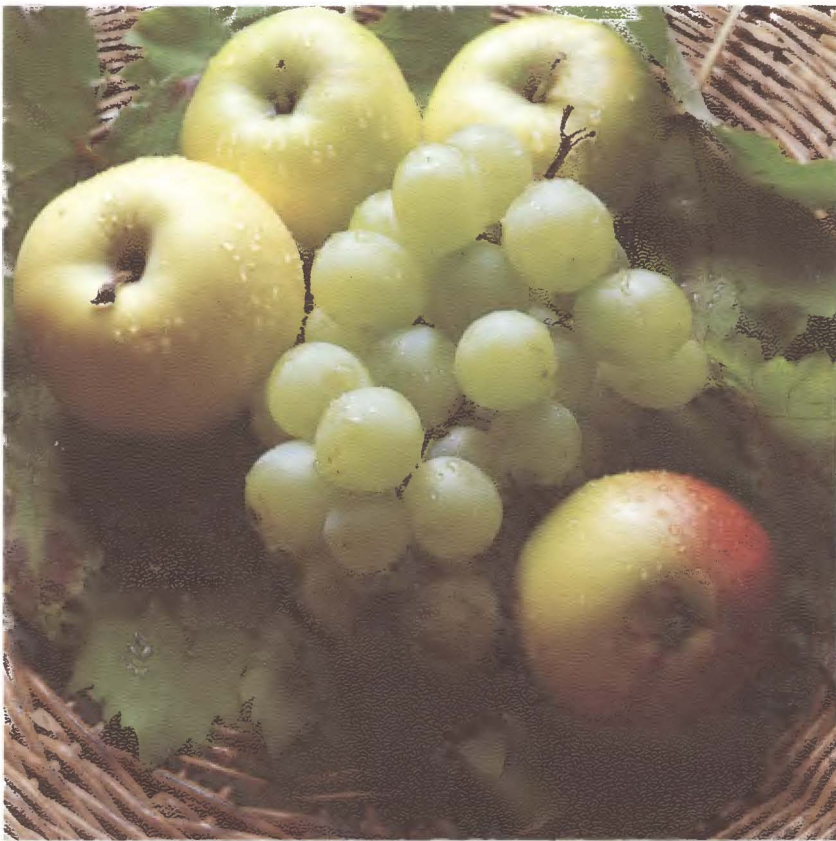


CONSUMER POLICY IN THE SINGLE MARKET



IN THE SAME COLLECTION

Education of migrant workers' children in the European Community (*out of print*)
The protection of workers in multinational companies (*out of print*)
The European Community's external trade (*out of print*)
Teacher training in the European Community (*out of print*)
The elimination of non-tariff barriers to intra-Community trade (*out of print*)
The European Community and the developing countries (*out of print*)
Worker participation in Europe (*out of print*)
25 years of European Community external relations (*out of print*)
The second enlargement of the European Community (*out of print*)
The Community and its regions (*third edition*) (*out of print*)
Cultural action in the European Community (*out of print*)
The European Community and vocational training (*out of print*)
The economic and monetary union (*second edition*) (*out of print*)
Freedom of movement for persons in the European Community (*out of print*)
An education policy for Europe (*second edition*) (*out of print*)
The European Community's industrial strategy (*out of print*)
The customs union (*third edition*) (*out of print*)
The European Community's transport policy (*second edition*) (*out of print*)
Women in the European Community (*out of print*)
The European Community's legal system (*second edition*) (*out of print*)
The economy of the European Community (*second edition*) (*out of print*)
The European Community's fishery policy (*out of print*)
The European Community and the Mediterranean (*out of print*)
Nuclear safety in the European Community
The European Community's budget (*fourth edition*)
Europe as seen by Europeans — European polling 1973-86 (*second edition*)
The Court of Justice of the European Community (*fourth edition*)
The ECU (*second edition*)
Wine in the European Community (*second edition*)
The European Community's research and technological development policy (*third edition*)
The audiovisual media in the single European market
Jean Monnet, a grand design for Europe

(continuation on third page of cover)

Originating department:
DG 'Audiovisual, Information, Communication and Culture'

CONSUMER POLICY IN THE SINGLE MARKET

(Second edition)

Manuscript completed in October 1990

Cover photo: Eureka slide

Cataloguing data can be found at the end of this publication.

Luxembourg: Office for Official Publications of the European Communities, 1991

ISBN 92-826-2054-9

Catalogue number: CM-NC-91-002-EN-C

© ECSC-EEC-EAEC, Brussels • Luxembourg, 1991

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in the FR of Germany

CONTENTS

THE INTERNAL MARKET NEEDS THE CONFIDENCE OF THE CONSUMERS by Karel Van Miert	5
A MARKET WITHOUT FRONTIERS FOR 340 MILLION CONSUMERS	7
■ CONSUMERS FOOT THE BILL FOR NON-EUROPE	7
■ NO MORE FRONTIER BARRIERS TO GOODS, SERVICES, CAPITAL AND INDIVIDUALS	8
WHY A COMMUNITY CONSUMER PROTECTION POLICY ?	9
■ THE SINGLE MARKET CONCERNS EACH AND EVERY ONE OF US	9
■ MERGERS INCREASE THE POWER OF THE BIG CONCERNS	10
CONSUMER POLICY IN THE COMMUNITY — A REVIEW	13
■ WHAT HAS BEEN ACHIEVED?	14
■ TWELVE COUNTRIES — TWELVE TRADITIONS	20
■ PROBLEMS IN THE TRANSPOSAL OF COMMUNITY LEGISLATION INTO NATIONAL LAW	28
ENHANCED STATUS FOR EUROPE'S CONSUMER POLICY	30
■ THE NEW APPROACH	30
■ THE NEW LEGAL BASIS	32
THE THIRD ACTION PROGRAMME	33
■ REPRESENTATION AND ACTIVE PARTICIPATION	33
■ CONSUMER INFORMATION — A TRANSMISSION BELT FOR THE INTERNAL MARKET	33

■ SAFETY LEGISLATION — A CONFIDENCE-BUILDING MEASURE 36

■ UNIFORM LEGAL FRAMEWORK FOR CROSS-FRONTIER
TRANSACTIONS 38

FURTHER READING 41

■ EC PUBLICATIONS 41

■ OTHER PUBLICATIONS 41

THE INTERNAL MARKET NEEDS THE CONFIDENCE OF THE CONSUMERS

by Karel Van Miert

1992 marks a turning point in Europe's history: more than 30 years after the signature of the Rome Treaties in 1957, the vision of a common market is to become reality. From 1993 onwards, goods, capital, services and individuals are to be able to circulate freely in the European Community unhindered by frontiers. Trade barriers within the Community are to disappear virtually completely.

The single market will provide Europe's undertakings with an opportunity to consolidate and improve their competitive position in world markets. An industry that is more efficient coupled with higher growth rates — this is the combination best suited to guarantee the people of Europe lasting prosperity.

What do consumers stand to gain from the single market?

Lower prices for goods and services and an even wider range of choice could be some of the more immediate benefits of the liberalization of trade. Over and above the general economic effects of the market without frontiers, a large proportion of the measures on the programme for 1992 have a direct and specific bearing on the everyday interests of consumers.

The '1992' project gives a completely new impetus to consumer protection in Europe. The Single European Act, which constitutes the legal basis for the single market, makes explicit mention of consumer protection: it states that the Commission must take a 'high level of protection' as a base in making proposals on consumer protection.

However, consumer policy is lagging behind in the march towards the single market. The existing programme contains primarily provisions designed to improve conditions on

the supply side. Consumer issues have — at least until now — been excluded, because the problems involved would have overloaded the already ambitious single market agenda.

Nevertheless, as this booklet hopes to show, it is by no means the case that consumer protection in the Community has still to get off the drawing board. The following pages trace the history of Community consumer policy and discuss its legal basis, before going on to describe what has been achieved.

In addition, the three-year action plan of consumer policy in the EEC submitted in mid-1990 is presented. In this plan, the Commission sets out the areas in which it intends to take action in parallel with the single market programme until the end of 1992.



Karel Van Miert, Member of the Commission with special responsibility for the consumer policy of the Community.

They concern above all health and safety, access to legal redress, information and consumer representation.

The fundamental difficulties with which the road to a Community consumer policy is paved will not be glossed over. Consumer policy must after all attempt to strike a balance between the interests of consumers and suppliers, between different consumer policy approaches in the 12 Member States and between the principle of the highest possible standard of health protection and safety on the one hand and the free movement of goods and services in the Community on the other — no easy task!

This booklet is also intended to help meet consumers' growing information needs as the single market becomes an increasing reality. Knowledge is the basis for building confidence. And consumer confidence is the key to the success of the single market.



As a result of the Single European Act, consumer protection is now one of the Community's tasks.

Karel Van Meir

A MARKET WITHOUT FRONTIERS FOR 340 MILLION CONSUMERS

When the six founding members signed the Treaty establishing the European Economic Community in 1957, their stated goal was to create a common market as a basis for a single European economic area. This was to be achieved by gradually approximating Member States' economic policy in order to ensure a harmonious development of economic activities throughout the Community.

■ CONSUMERS FOOT THE BILL FOR NON-EUROPE

Checks on goods and individuals at the Community's internal frontiers should in fact have long since disappeared. Indeed, the Member States — still the original Six — did establish a customs union in the middle of 1968. While customs duties are no longer levied, other duties and checks in intra-Community trade mean that the market without frontiers is still a long way off. The reasons for these irksome checks on travellers and carriers include the collection of statistical data and differences in national tax, trade, economic and health regulations. As a result, customs officials still check at the internal Community frontiers whether travellers comply with the duty-free allowances of tobacco goods or alcohol. Frontier police or immigration authorities check passports and identity cards.

There are also a great many fundamental differences between Member States' technical standards and product regulations, for instance in the field of environmental protection, health and safety. Statutory provisions of this nature are of course a necessity, designed as they are to protect 'life and limb' of consumers. However, they result in laborious checks in cross-frontier trade. Consequently, they are frequently tantamount to

non-tariff trade barriers and latent import restrictions. They are thus no less an impediment than customs duties and import quotas, as manufacturers wishing to sell their goods in other Member States have to do battle with a plethora of national rules and regulations. In the case of cars and other sophisticated technical equipment, a whole host of details has to be modified before the product is accepted by the authorities of the importing country. Such adjustments to suit individual markets are both time-consuming and costly.

The national bureaucracies are not seldom suspected of adopting such standards and technical regulations for the sole purpose of protecting domestic industry from unwelcome competition from other countries. Where commercial motives were not implicated, differences in consumer policy traditions and objectives created unnecessary barriers to the exchange of goods between the 12 Member States.

Examples of such impediments abound: for instance, in Germany, cherries in yoghurt may be coloured with beetroot colorant, while the yoghurt itself may not. In Belgium, it is exactly the opposite: here the authorities permit the yoghurt to be coloured, but not the fruit. Chocolate from the United Kingdom may not be sold in some Community countries, because they have different regulations regarding the composition (recipe) of 'chocolate'.

Fragmentation of the Community market obliges manufacturers in many sectors to produce their goods in different variants to meet the requirements of the importing country. This complicates, and adds to the cost of, research, development, marketing, storage and distribution.

A group of independent economists led by the Italian Paolo Cecchini analysed and specified the costs of non-Europe on behalf

of the Commission. They estimated that the financial cost of the fragmented Community market resulting from differences in national standards and other non-tariff trade barriers, bureaucratic frontier formalities, divergent tax regulations and company law and the lack of proper international competition in public procurement markets amounted to at least ECU 200 billion (in 1988 prices) per annum.

In theory at least, Europe's industry could pass on the cost savings to be made in a market without frontiers to consumers in the form of lower prices. The study came to the conclusion that the elimination of internal frontiers could deflate consumer prices in the Community by 6% in the medium term.

■ NO MORE FRONTIER BARRIERS TO GOODS, SERVICES, CAPITAL AND INDIVIDUALS

In 1985 the Commission produced its White Paper on completing the internal market setting out the directives, regulations and decisions that would have to be adopted at Community level and implemented in national law in order to bring about an integrated European market.

Physical barriers (border formalities), technical barriers (national standards and regulations) and fiscal barriers (differences in the national tax rates and systems) will all have to be removed. Following some modifications in the period since 1985, a total of 282 Community 'laws' for the construction of the internal market have been proposed (position in May 1990).

The individual measures directly affect several flanking areas, such as social policy, employment, structural policy, transport, agriculture, the environment and competition policy. Without action by the Community in these areas, there can be no single European market.

WHY A COMMUNITY CONSUMER PROTECTION POLICY?

Markets long ago tended to be highly local in character. Buyers and sellers in the Middle Ages knew each other personally. Concern to maintain a good reputation and the constant renewal of personal contact made a statutory framework for business relations largely superfluous.

This situation changed dramatically in the course of time. Progress in transport and communications brought cities and countries closer together and caused markets to expand beyond their original base into national and international territory. The advent of mass production reduced manufacturers and merchants to anonymous figures. As economic activity became more complex, the statutory framework needed to regulate relations between the contracting parties also grew. The increasing international division of labour made it necessary to adjust the basic regulatory arrangements to take account of transnational commerce.

■ THE SINGLE MARKET CONCERNS EACH AND EVERY ONE OF US

Completion of the single market in 1992 will usher in a new phase in this trend towards global markets. The aim, after all, is for the 12 countries of the European Community to become a single economic area in the foreseeable future.

Many of the directives, regulations and decisions designed to remove the trade barriers in the path of the single market also have a direct or indirect impact on the interests of consumers. Every 10th directive concerns the composition or monitoring of foodstuffs.

For example, two directives on the internal market agenda lay down provisions on the advertising of pharmaceuticals and the con-

tent and presentation of the package inserts. These provisions are primarily intended to promote Community-wide competition between pharmaceutical manufacturers and so boost the underdeveloped cross-border trade in this special sector.

These provisions are also of significance to consumers for two reasons: firstly, keener competition is likely to result in lower prices for medicinal products and, secondly, all 'consumers' of medicine presumably have an interest in package leaflets that are comprehensible and advertising that does not make exaggerated claims.

In February 1990 the Commission adopted Community standards for foodstuff packaging. These standards form part of a framework directive harmonizing statutory provisions on materials intended to come into contact with foodstuffs. With effect from 1 January 1993, plastic materials will be permitted for packaging and handling foodstuffs only if they meet certain criteria. This implementing regulation also covers kitchen utensils such as pots and pans, knives, forks and spoons, as well as the conveyor belts used in foodstuffs production. Only products whose long-term toxicological and technological safety have been scientifically proved will be permitted.

The impact of a directive or regulation on consumers is not always so obvious as in the case of the provisions on pharmaceuticals and plastic packaging. Quite apart from the core legislation for the internal market, virtually every policy has a consumer dimension:

- Agriculture policy is on the spot in the debate on whether artificial hormones (BST) may be used to increase the productivity of dairy cows.
- The use and consumption of environmentally benign products is the starting point for

any environmental policy. Ecological labelling of goods enables environmentally aware consumers to make informed purchase decisions. The planned Community 'eco-labelling' provisions will not only benefit producers and distributors by ironing out unequal conditions of competition, but will also give consumers a better quality of information on which to base their choice.

- The answer to the question of what rate of tax should be levied on goods in the context of the VAT harmonization debate will have a direct influence on the pound in the consumers' pockets.

- European competition policy has the task of preventing mergers where they would undermine competition at the consumers' expense.

■ MERGERS INCREASE THE POWER OF THE BIG CONCERNS

The role of competition policy in the functioning of the common market and in securing the benefits promised to consumers from the elimination of internal frontiers is particularly important. There is an inherent risk when markets are dominated by monopolies or powerful cartels that prices and quality will be dictated to consumers. Multinational concerns have long been shaping their corporate strategies to fit the market without frontiers. They are increasingly taking over companies in other Member States in whole or in part, or concluding cooperation agreements designed to secure a base 'over



Consumer protection in the European Community is not intended to produce a standardized 'Euroconsumer' ...

the border'. Companies from outside the Community, too, are securing access to the internal market through takeovers or participation in Community firms.

In 1988, in anticipation of the single market, the number of transfrontier mergers and acquisitions of majority holdings in the Community countries shot up by 90% compared with 1987. The wave of mergers in the Community reached a new height in 1989: in the group of the 1 000 largest Community concerns, the number of takeovers involving a joint turnover of over ECU 1 billion increased by 31% compared with the previous year. The degree of concentration is increasing above all in the chemical industry, the food and drinks industry, the metalworking industry and the mechanical engineering sector.

Completion of the single market primarily enhances the position of suppliers. This

effect is also intended, because less fragmented, i.e. more efficient, economic structures can serve to boost the competitiveness of European industry in world markets. However, the intensity of competition in Europe itself must not be diminished as a result — in the interests of consumers. Consumer choice in respect of supply and prices can be guaranteed only so long as there are enough suppliers competing for their custom. As the Commission's *Report on Competition Policy* for 1988 warns, without an effective competition policy 'there is the risk that Community consumers would be unable to enjoy the promised benefits of a large integrated market'.

The Commission's guardians of competition are therefore also acting in the interests of consumers. The EEC Treaty prohibits in par-



... variety will continue to be the spice of life in a single market without frontiers.



*'Catch them young ...'
Schoolchildren should be made aware of their rights as consumers.*

ticular cartels and agreements between undertakings, among other things on prices, distribution and marketing and on the sharing of markets. Exceptions from this rule ('exemptions') are permitted only where they do not give rise to a dominant market position and where consumers are allowed a 'fair' share of the resulting benefit.

In September 1990 the Community acquired merger control powers. This means that the

Commission is now the supervisory authority in the case of company mergers involving an aggregate world turnover in excess of ECU 5 billion (a number of other criteria must also be met, which measure the importance of a given merger for the common market). The mergers control tool will make it easier in future to block company mergers in Europe where there is a risk that competition in the Community market will be distorted.

CONSUMER POLICY IN THE COMMUNITY — A REVIEW

The first organizations representing consumer interests were set up in the 1950s. Their membership steadily grew, and with it their importance. In response to their pressure, Member States adopted progressively comprehensive legislation to protect consumer interests. The growing volume of trade between Community countries made concerted action increasingly necessary: on the one hand, in order to remove bureaucratic impediments to imports and exports and, on the other, to give consumers the assurance that goods imported from other countries met a minimum common standard.

As early as 1961, Mr Sicco Mansholt, at the time Vice-President of the Commission and responsible for agricultural policy, said that 'the general interests of consumers in the common market are not represented to the same extent as are those of producers.' He therefore advised consumers to unite.

A year later, the Commission set up the Contact Committee for Consumer Questions. This was composed of the four major European consumer organizations: the European Office of Consumer Organizations (BEUC), the Committee of Family Organizations in the European Communities (Coface), the European Community of Consumer Cooperatives (Euro-Coop) and the European Trade Union Confederation (ETUC). The Contact Committee had the right to be consulted when Community measures were being considered.

The name and composition of the Contact Committee changed on several occasions in the following years. In September 1973 it was replaced by the Consumers' Consultative Committee, to which independent experts were also appointed. Finally, the Consumers' Consultative Council was set up in April 1990 which, in addition to representatives of the European consumers' organiza-

tions, is also composed of delegates from national organizations and representatives of the disabled and senior citizens.

In April 1968 the Commission set up a special consumer affairs unit within the Directorate-General for Competition. This laid the foundations for coordination between all the Commission departments dealing with various aspects of consumer protection. Their initiatives and proposals were examined by this unit to ensure that consumer interests were properly respected. The consumer affairs unit was subsequently integrated in the Directorate-General for the Environment, Consumer Affairs and Nuclear Safety.

At the beginning of the 1970s the European Parliament repeatedly stressed the need for a common consumer policy. In October 1972 the Heads of State or Government gave the go-ahead for such a policy. At a summit meeting in Paris, they declared that the positive economic development of the Community had to be translated, first and foremost, into an improvement in the quality of life of the people of Europe.

The decisive step towards a European consumer policy was taken in 1975, when the Council of Ministers adopted the 'Preliminary programme of the European Economic Community for a consumer protection and information policy'. This represented a recognition by the national governments that Community action was necessary in this area.

In addition to drawing up an action plan, the programme contained a 'charter' of consumers' rights. Five basic rights are stated:

- (i) The right to protection of health and safety. Goods and services must not present a risk under normal conditions of use.
- (ii) The right to protection of economic interests. The purchaser or user must be pro-

tected against abusive practices of the seller such as misleading advertising, unfair contract clauses or credit terms, etc. and against defective products and services.

(iii) The right of redress. Consumers should receive advice and help in the case of defective goods or unsatisfactory services and swift redress for any injury or damage suffered.

(iv) The right to information and education. Comprehensive information and education for children, young people and adults should be provided to enable consumers to make an informed choice on the market.

(v) The right of representation. Consumers' organizations should be consulted on all proposed legislation affecting consumer interests.

A second consumer programme for the period until 1986 was adopted by the Council of Ministers in May 1981. It confirmed and elaborated upon the guidelines and objectives of the first programme, but also stressed the importance of the price/quality ratio to consumers and addressed the problems of the services sector. The main thrust of these two programmes still applies today.

In 1983 the Community decided to hold special Council meetings of the ministers responsible for consumer policy. Until then, consumer affairs had been dealt with in the Council meetings on economic policy.

■ WHAT HAS BEEN ACHIEVED?

Numerous Community directives and regulations already protect consumer interests and the free movement of goods within the Community. Community legislation concerns both specific product groups and general measures.

Foodstuffs: Lists of acceptable substances and purity criteria have been drawn up for additives used in foodstuffs, e.g. colouring agents, antioxidants, preservatives, emulsifiers, stabilizers, gelling agents, etc.

Community limit values specify maximum levels for pesticide residues in fruit and vegetables. There are also Community provisions on the composition, manufacture and trade description of certain products such as honey, fruit juice, preserved milk, cocoa or chocolate products, coffee and chicory extracts, mineral water, fruit jams and jellies and chestnut puree. The general directive on additives authorized for use in foodstuffs stipulates that additives may be used in foods only if it has been satisfactorily proved that they are technically necessary and that the production objective cannot be achieved by any other means. Furthermore, the quantities of additives used must be safe for the consumer and their use must not serve to mislead consumers.

Presentation and labelling: A directive lays down rules regarding the clear indication on the packaging of the composition of foodstuffs, their keepability and precise quantities of ingredients. Another regulates the designation of dietary foods. There are also Community provisions on the composition, manufacture and designation of certain products, on packaging materials intended to come into contact with foods and on trade in fresh meat.

Cosmetics: A directive regulates the composition, labelling and packaging of cosmetics, prohibits the use of certain substances and subjects the use of other substances to certain conditions and restrictions.

Textiles: There are several Community directives regulating textile names, labelling and analysis.

Dangerous substances: Several directives cover the classification, evaluation, marketing, labelling and use of many toxic products such as pesticides, solvents, paints, varnishes, printing inks, adhesives and asbestos.

Medicinal products: There are uniform provisions on testing, evaluation, authorization, labelling and patent rights. One directive is designed to achieve greater price transparency and another supplements ex-

isting provisions on quality, safety and effectiveness of vaccines and blood products and extends them to cover exports to developing countries.

Industrial products: A whole series of directives has been adopted to improve the safety of passenger cars and tractors.

Misleading advertising: Following lengthy debate, the Council of Ministers reached agreement on a Commission proposal imposing controls on Europe's advertisers. This directive prohibits misleading advertising and thus any advertising which misleads or is likely to mislead its target group in any way. In a consumer feels that he or she has been misled by an advertising claim or presentation, legal action against the producer is possible. A particularly important aspect is that the burden of proof may be reversed. In other words, suppliers accused of wrongdoing must prove their innocence — which considerably improves

the consumer's chances of success in any legal proceedings.

Product liability: A key demand of the European consumers' organizations was the adoption of a product liability directive. This was achieved on 25 July 1985. It regulates in a uniform manner for the whole Community the circumstances under which manufacturers are liable for any damage their product may cause to the consumer. It introduces the concept of strict liability for defective products. This means that manufacturers are liable even if there is no fault on their part. The burden of proof lies with the producer. Subcontractors and quasi-manufacturers (e.g. retail chains), importers and suppliers may also be liable. The product liability directive adopted at Community level has not yet entered into force in all Member States. Community directives have to be transposed into national law by Member States' parliaments. This transposal has to secure the objectives and content of the Community provisions. However, Member States are largely free to choose the means by which this is done. Consequently, despite harmonization at Community level, national differences as to the detail of product liability law may remain.

Doorstep sales: A growing number of complaints about false advertising claims, surprise tactics and similar methods in connection with transactions concluded on the doorstep prompted the Commission to propose a directive to improve consumers' rights in this area. This proposal, which was adopted by the Ministers for Consumer Affairs on 12 December 1985, contains two important stipulations. Firstly, purchasers have a week's cooling-off period in the case of contracts negotiated away from the salesman's business premises; within this period they can withdraw from the purchase agreement without difficulty. Secondly, the salesman is required to inform the consumer in writing of this right of cancellation.

Payments: There is a (non-binding) recommendation on non-cash payment transactions, in particular credit card systems. This



'Sell-by' dates already have to be indicated on a large number of foods throughout the Community.

urges institutes issuing credit cards to limit the cardholder's responsibility in the event of loss, theft or forgery.

Information system: Since March 1985 a Community system for the rapid exchange of information on dangers arising from the use of consumer products has been in operation in all Member States. This warning system functions as follows: if the authorities of a Member State ascertain that a certain product has caused or could cause serious and immediate danger to health and are therefore considering a ban or restrictions on its sale, they must immediately inform the Commission of their findings. 'Brussels' then passes on this information to the authorities in the other Member States which, in turn, can take appropriate action. Special contact points linked to the Commission by a 'hot line' and telex for rapid exchange of information have been set up in the Member States' administrations. Major, potentially Community-wide disasters can be averted in this way. The European early warning system applies to all consumer goods, e.g. foodstuffs, industrial products, electrical appliances and children's toys. It does not include products intended exclusively for professional use, which are covered by a comparable European notification system. There are also formal notification procedures for medicinal products and for the combating of animal diseases.

In addition, a Community information system for the statistical evaluation of accidents in the home (Ehlass) is being developed. A system of this type can play an important part in preventing accidents. Every year, accidents in the home in the Member States cause 80 000 deaths and leave 45 million people injured.

The following directives have already been implemented under the single market programme:

Package tours: In future, 'package holidaymakers' can rely on uniform minimum standards throughout the Com-

munity, irrespective of where they book their holiday. Member States must adopt the necessary measures to comply with this directive by 31 December 1992. Provision is made *inter alia* for the following: the consumer must be informed *in writing* of the contract terms. Brochures may not make misleading claims, but must provide clear and precise information on price, transport media, type, location and category of the accommodation, number of meals, visits and/or excursions included in the price, travel routes, passport and visa requirements and any health formalities, amount of the down payment and minimum number of participants for a trip. Organizers must also provide an address at which their representative can be contacted at the destination or an emergency telephone number. Prices may not be changed retrospectively unless the contract makes explicit provision for such an eventuality. However, this is permitted only under certain conditions: change in transport costs (including fuel costs), dues and taxes (e.g. landing fees) and currency exchange rates. If the organizer cancels a holiday, the consumer is entitled to take an equivalent package or to a refund of all sums already paid and, where appropriate, to additional compensation. The consumer can also claim compensation if the organizer fails to deliver a significant part of the services agreed in the contract. Finally, the organizer or travel agency must show that the refund of sums paid and the journey home are secured in the event of insolvency or bankruptcy.

Rights of air travellers in the event of overbooking of scheduled services:

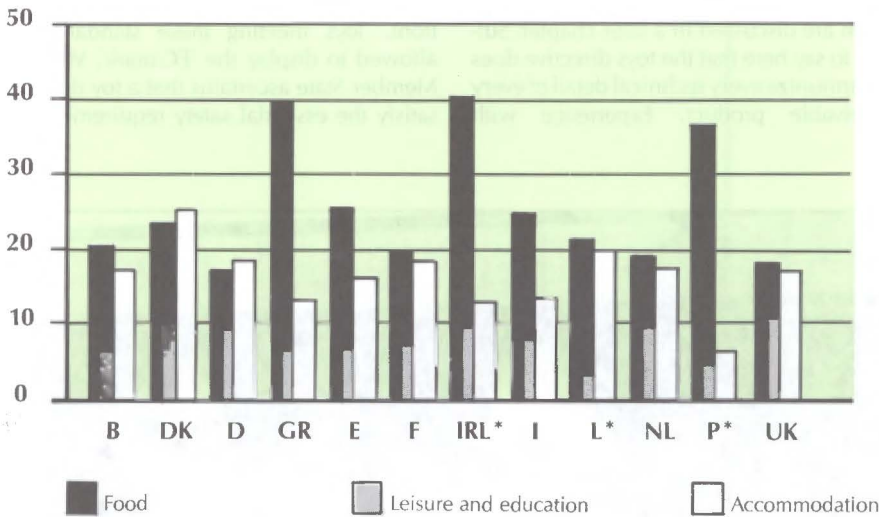
A Commission regulation has created a uniform legal basis for dealing with problems resulting from overbooking of scheduled flights. This regulation sets out the compensation to which passengers not admitted to a flight owing to overbooking are entitled. It applies to all flights beginning in the Community. Air carriers' obligations to consumers are therefore clearly defined for the whole Community and potential distor-

tions of competition resulting from regulatory differences have been excluded. Passengers forced to take a later flight owing to overbooking are entitled to minimum compensation of 25% of the price of an economy ticket if delayed by between half an hour and two hours on intra-Community flights and between half an hour and four hours in the case of flights with a destination outside the Community. Compensation of 50% of the price of an economy ticket is due

in the event of longer delays. In addition, the airline has to pay all expenses arising from the delay (left luggage services, necessary telephone calls, meals, and if appropriate, hotel and similar expenses). If the carrier is unable to offer an alternative flight, it has to pay the passenger compensation equivalent to 100% of the economy class fare. The regulation also lays down which passengers are to be given priority in the event of overbooking and which have to step down.

PER CAPITA CONSUMPTION OF HOUSEHOLDS FOR A NUMBER OF FUNCTIONS IN 1987 (%)

(* IRL, L, P: 1986)



in %	EUR 12	B	DK	D	GR	E	F	IRL*	I	L*	NL	P*	UK
Food	23.0	20.4	23.7	17.4	40.2	25.5	20.0	40.4	25.0	21.7	19.5	36.9	18.2
Leisure and education	8.3	6.8	10.1	9.3	6.4	6.8	7.6	9.5	8.1	3.7	9.6	4.9	10.2
Accommodation	17.5	17.7	25.3	18.5	13.1	16.2	18.5	13.0	13.5	20.0	17.3	6.4	17.6

What do Europeans consume? On average, 23% of European consumption goes on food (40% in GR compared with 17.4% in D) while 17.5% goes on accommodation (25% in DK, and 13.5% in I). There are also great disparities in Europe under 'leisure and education' (10.2% in UK and only 6.4% in GR).

Liberalization of air traffic: Mr Karel Van Miert, the Commission Member responsible for transport policy and consumer affairs, hailed the second package of regulations adopted in July 1990 liberalizing air traffic in the European Community as a 'victory for consumers'. Full freedom of competition in Community air transport is to be implemented by 1993. Greater freedom to set fares and share passenger capacity will doubtless stimulate airlines to greater competition. State influence will be limited. Smaller airlines are to be given greater opportunities. Expected spin-off for consumers: cheaper air tickets.

Safety of toys: One of the first Community instruments adopted in accordance with the Commission's 'new approach' in the field of technical harmonization and standardization was the directive on the safety of toys. Background and purpose of the new approach are discussed in a later chapter. Suffice it to say here that the toys directive does not harmonize every technical detail of every conceivable product. Experience with

earlier harmonization attempts showed that harmonization on this scale could take years. The approach now is to harmonize only the 'essential safety requirements'. Toys marketed in the countries of the Community must meet these standards. Article 2 of the Directive states that toys may be placed on the market in Community countries only 'if they do not jeopardize the safety and/or health of users or third parties when they are used as intended or in a foreseeable way, bearing in mind the normal behaviour of children'. These general safety requirements are assumed to be met when a product complies with the relevant harmonized standards. These non-binding Community standards are not drawn up by the Commission, but by the private standardization organizations CEN (European Committee for Standardization) and Cenelec (European Committee for Electrotechnical Standardization). Toys meeting these standards are allowed to display the 'EC-mark'. Where a Member State ascertains that a toy does not satisfy the essential safety requirements, 'it



shall take all appropriate measures to withdraw the products from the market, or to prohibit or restrict their placing on the market'. The scope of the toys directive is extremely broad, in keeping with this new harmonization approach. Toys within the meaning of the directive are defined as 'any product or material designed or clearly intended for use in play by children of less than 14 years of age'. One of the annexes to the directive contains 'General principles' elaborating the essential safety requirements, and a comprehensive list of particular risks to be excluded, e.g. flammability or electrical, chemical and physical properties. The effect of this harmonization approach is, firstly, to open the internal frontiers for unhindered trade in toys and, secondly, to guarantee a uniform high level of protection to purchasers in all countries of the European Community.

Consumer credit: New provisions on consumer credit supplementing those of 1987

were adopted in February 1990. Their purpose is defined in the introduction to the directive: 'it is desirable, in order to promote the establishment and functioning of the internal market and to ensure that consumers benefit from a high level of protection, that one method of calculating the annual percentage rate of charge should be used throughout the Community'. Previous to this, several methods of calculating the effective annual charge were permitted in the Member States. Consequently, borrowers had no real means of comparison. From 1 January 1993 at the latest, the annual rate of charge will be calculated by a single Community formula determining the 'total cost of the credit to the consumer'. Costs not included in the calculation are precisely defined. Credit institutes must notify the borrower of the annual rate of charge. In addition, the information which must be communicated to the consumer in a written contract is more comprehensive than previously.



... and the methods of analysing their composition.

■ TWELVE COUNTRIES — TWELVE TRADITIONS

Although a great deal of progress has been made, the results of consumer policy have, on the whole, fallen short of expectations. One of the main reasons for this is that, in the 1970s, radical measures to protect consumers were seen as a luxury Member States could not afford given that their economies were in deep recession.

While the cyclical problems were overcome, the structural impediments to an active consumer policy remained, such as different cultures, traditions and forms of organized representation and differences in the extent to which consumer interests were taken into account at national level. In the mean time, the availability of suitable information for and about consumers has been more or less acknowledged as a vital element in the functioning of the market in all Community countries. This is characterized by three developments:

- (i) establishment of government departments dealing with consumer affairs;
- (ii) adoption of laws and regulations or codes of conduct;
- (iii) founding of consumer organizations.

The approaches adopted by the individual countries differed significantly, mirroring differences in socio-economic and institutional characteristics and in the status afforded to consumer information in the respective countries.

In order to paint as broad a 'European' picture as possible of consumer protection in the individual Member States, the following review concentrates on the main private and public consumers' institutions and their information media and the main legislative initiatives.

Belgium: At government level, a special department of the Ministry of Economic Affairs deals with consumer issues and credit. A Consumers' Council composed of representatives of 15 independent consumers' organizations has an advisory func-

tion. The Ministry's consumer service publishes and distributes information material on a variety of topics. However, the various consumers' organizations remain the chief source of information, above all the Consumers' Association. Its high-circulation magazine *Test achats* publishes the results of comparative tests of consumer goods. In addition to the government agency and the Consumers' Association, individual information and personal advice can be obtained from the local social advice centre, the CPAS, and collective interest groups in the case of specific problems (e.g. package holidays). A number of important consumer protection laws were enacted between 1984 and 1986, e.g. on labelling, origin of a product, recognition of standards and declaration of quantities in the case of prepackaged products. A general law on commercial practices, consumer protection and information was adopted in 1987.

Denmark: Responsibility for consumer policy at government level lies with the Ministry of Industry. The national consumer agency, the Forbrugestyrelse, is highly influential. The main independent organizations are the Forbrugerråd and the Dansk Varefakta Nævn (the institute for informative labelling, in which producers and distributors are represented as well as consumers). There are trade description regulations for a large number of products and for information on prices of financial services (banks, etc.). The results of comparative tests are published in magazines (*Råd og Resultaten* and *Tænk*). The national consumer agency in Copenhagen and the Ombudsman service provide individual information and advice. Consumer complaints are also dealt with by a variety of local associations whose activities are coordinated by the consumer council.

Germany: Responsibility for consumer policy is divided between the Federal Government (Ministry of Economic Affairs) and the governments of the *Länder*. The Ministry is aided by a council consisting of 16 representatives of various organizations. The

Stiftung Warentest, a public-law body, carries out comparative product tests and publishes the results in its magazine *Test*. In addition, the Arbeitsgemeinschaft der Verbraucherverbände (union of consumers' associations) regularly publishes tips and information for consumers in its magazine *Verbraucher-Rundschau* and the Federal Government produces a practical handbook, the *Wegweiser für den Verbraucher*. A network of around 250 consumers' advice centres actively inform and provide legal advice at local level. They are united in Verbraucherzentralen, consumer centres, at regional level and in the union of consumers' associations (AgV) at national level. The AgV publishes regular price comparisons for certain product groups and more comprehensive studies, e.g. on the quality of services, in collaboration with the Institute for Applied Consumer Research.

A group which claims to have a stronger ecological orientation than the AgV and its member associations is the Verbraucher-Initiative, the Consumers' Initiative, which also publishes a regular newsletter.

The most important consumer legislation adopted in the last decade concerned the labelling of consumer goods, e.g. date-marking of prepackaged goods (1981), and the transposal into national law of the Community directive on labelling of dangerous goods (1986).

Greece: Consumer protection at national level is the task of the Directorate for Technological Protection of Consumers, a department in the Ministry of Trade. Other Ministries, such as the Ministry of Health and Social Security, publish specific information. In 1982 the Greek Government set up a special unit for consumer protection and information which can propose legislation and acts as a contact point for the general public and the consumers' organizations. The most important private organizations — from a total of 12 — are the Pan Hellenic Union of Consumers (PEK), the Union of Greek Consumers, the Centre for the Protection of Con-

sumers in Thessaloniki and the Consumers' Union for the Quality of Life (Epoizo).

As in other countries which joined the already existing European Community, Greece only recently introduced legislation to protect consumers, not least because of the obligation to apply Community directives in this field in national law. Legislation to date has concentrated on product safety and price regulation, with information playing a subordinate role. However, legislation on labelling and the prevention of misleading advertising has been adopted.

Spain: Article 51(1) and (2) of the Spanish Constitution requires the Government to take action to inform and educate consumers. This is primarily the responsibility of the Secretariat-General for Consumer Affairs of the Ministry of Health and Consumer Affairs. Apart from this, all Ministries are required to supply consumers with information in their specific area of responsibility. These activities are coordinated by a special committee. The chief source of information in practice is the independent National Institute for Consumer Affairs (INC). Its members are representatives of consumers, manufacturers' associations, the retail trade and the government.

Private consumers' organizations only came into being in Spain at the end of the Franco period. The first association of its kind was the Organization of Consumers and Users, founded in 1975. Later on, the already established housewives' associations intensified their activities in the field of consumer information. In 1979 the consumers' cooperative movement formed a new legal entity, the Asgeco. The last 10 years have been marked by a rapid growth in consumers' associations.

By far the most important consumer law is the guarantee in the Spanish Constitution of the right to true, exact and sufficient information. This general provision is supplemented by detailed legislation on individual goods and services. A law of 1982, for instance, stipulates a certain minimum of information on labels. Various groups of goods and ser-

THE POLICY OF THE EUROPEAN PARLIAMENT

Back in 1968 the European Parliament was the first institution to advocate a special policy to defend the interests of the 340 million citizens of the Community. Its persistent efforts eventually helped to bring about a genuine Community policy in an area not provided for in the Treaties of 1957.

The European Parliament does not regard consumers as simply buyers and consumers of goods and services. The European Consumers' Charter, which it strongly supports, also includes the right to health protection and safety, the protection of economic interests, the reparation of damage, information and education and consultation. These are extremely wide-ranging matters affecting the common agricultural policy, public health, economic policy, the single market, research, etc. The European Parliament's endeavours have therefore been many and varied. A few examples are given below:

In 1985 the Commission of the European Communities submitted a proposal concerning the authorization of certain hormones (oestradiol 176, testosterone and progesterone) for livestock fattening purposes. In view of consumers' concerns about the possibility of residues of these substances remaining in meat, the European Parliament ensured that Community legislation allowed the use of these hormones only for therapeutic purposes and subject to veterinary control.

Since 1982 the European Parliament has been advocating the establishment of a Community service for the detection of fraud and a warning and information system so that products damaging to health can be rapidly taken out of circulation. Since 1985 European consumers can bring legal proceedings against food producers in the event of damage to health. The European Parliament is also advocating the establishment of a European Food and Drugs Administration modelled on that of the United States.

At Community level considerable progress has been made on toy safety, and the Members of the European Parliament have had much to do with this. In July 1983 they turned their attention to the flammability of toys, and four years later endeavoured to obtain a ban on toys connected to the mains or containing parts which can be heated up. Lastly, in 1987 in the interests of even greater child safety, Parliament called for all dangerous products used in the home to be fitted with child-proof safety fastenings and to be labelled as dangerous.

While the Members of the European Parliament focused first of all on consumer health and safety, they have nevertheless not neglected the economic interests of consumers. Parliament has often discussed the publication of the results of comparative price surveys, the quality of after-sales services, doorstep selling, package travel and the rights of consumers in the services sector. It is also insisting that the harmonization of taxation in the Member States should not lead to a greater tax burden for the consumer. Lastly, Parliament has launched an offensive against misleading advertising. In an opinion in 1979 it called for consumers to have the right to bring proceedings in respect of misleading and unfair advertising either before a court or before an administrative body, depending on the country concerned. In this connection, Parliament also proposed the regulation of advertising for pharmaceutical products, tobacco and alcohol and advertising aimed at children.

VICES are covered by specific legislation, such as pharmaceuticals, tobacco goods, cosmetics and leather goods, and services in the hotel and restaurant trade. In addition, the INC has set up a 'consumers' telephone' and has a public information and documentation centre. Important publications for consumers include the *Estudio sobre el consumo*, an INC quarterly, *Información del consumo*, an INC monthly, and *Ciudadano*, which is produced by a private publishing house.

France: In February 1987 responsibility for consumer policy was transferred to a State secretariat set up for the purpose, which is integrated in the Ministry of Economic and Financial Affairs and the Budget. This secretariat has the task of promoting competition and strengthening the position of consumers in the market, and is supported by the Directorate-General for Competition, Consumer Affairs and Fraud Prevention. There are a number of other bodies working alongside these State institutions: the Na-

tional Consumers' Institute (INC) is an independent public organization whose board is composed of representatives of various consumers' associations. There are also consumer centres working at regional level. Local price information centres observe and publish information on prices of selected products.

There are a total of 14 recognized private consumers' organizations. The most important are the Union française des consommateurs (UFC), the Organisation générale des consommateurs (Orgeco) and the Fédération nationale des coopératives de consommation (FNCC). The main consumer legislation adopted in the last few years includes food labelling provisions enacted in 1984 (product description, ingredients, net contents) and the general obligation to indicate prices, together with the standardization of information on charges for certain professional categories, e.g. doctors (1987). Consumers obtain information from a wide variety of publications. The UFC, for exam-



The European Parliament has advocated not only toy safety but also the publication of comparative price lists, reliable after-sales services and the 'clean' advertising of alcohol, tobacco and pharmaceutical products.

ple, publishes test results in its magazine *Que choisir?*

Ireland: General consumer policy is the responsibility of the Department of Industry and Commerce, while consumer information — including product labelling and misleading advertising — is dealt with by the Office of the Director of Consumer Affairs and Fair Trading. In addition, the Office of the Ombudsman gives advice to individuals. It also acts on consumers' complaints about public bodies. The Consumers' Association of Ireland (CAI) founded in 1966 is a private organization. It publishes two magazines, *Consumer choice* and *Which?* Women's organizations are another important source of information for consumers. More specialized information services are provided by the local Free Legal Advice Centres (FLAC) and Financial Information Service Centres (FISC). Domestic legislation does not go beyond that provided for by Community directives.

Italy: Official consumer protection in Italy tends to be provided at local and regional

level rather than national level. Some regions have adopted legislation protecting consumer rights and established committees to supply information on prices and carry out comparative product tests. Fifteen private organizations form the Unione nazionale dei Consumatori (UNC), which was set up in 1955. The Consumers' Protection Committee specializes in quality surveillance. Another source of information is the Association of Consumers' Cooperatives. Regular publications include *UNC Notizie* (daily information for UNC members), *Altroconsumo* (Consumers' Protection Committee), *Cooperazione Italiana* (Association of Consumers' Cooperatives) and *Robin E/Robin Flash* (Consumers' Federation).

Luxembourg: In principle, all government departments have responsibility for consumer policy; the Ministry of Health, the prices department of the Ministry of Economic Affairs and the Ministry of Justice have particular powers. The main consumers' organization is the Union luxembourgeoise des consommateurs (ULC), in



By 1 January 1993 package holidaymakers can expect Community-wide provisions concerning information about prices, means of transport, etc...

which around 23 000 families and 16 associations are organized. The ULC publishes 18 editions annually of a consumers' journal, makes available the results of product tests from other Community countries, provides legal advice to its members and runs an information centre open to the public.

Netherlands: The Ministry of Economic Affairs is officially responsible for the government's consumer policy. The Ministry of Welfare, Health and Cultural Affairs provides information on product safety. The Consumer Affairs Committee of the Social and Economic Council has an advisory function. There are no fewer than 70 organizations actively involved in consumer information. The two most important are the Consumentenbond and the Konsumenten Kontakt. The two associations operate independently of one another, but tend to cooperate. Other organizations, such as the Homeowners' Association, focus on specific areas. The State-financed Institute for Consumer

Research (SWOKA) carries out studies and advises both the government and the organizations. In addition, the Stichting Vergelijkend Warenonderzoek, which receives financial support from the government, carries out comparative product tests. The Stichting Consumentenkachten operates several arbitration facilities composed of representatives of consumers, producers and suppliers of services. While there is a law that makes possible the introduction of binding rules on trade descriptions for all goods and services, legislative activities to date have placed the emphasis on a system of self-regulation. This currently covers domestic electrical goods and tools, batteries, paints and carpets.

Consumer information is provided in a variety of ways. The Consumentenbond publishes its monthly magazine *Consumentengids* and special travel and financial magazines. *Koopkracht*, published by Konsumenten Kontakt, is targeted particularly at low-income households. The Comac foundation



... sunshine will continue to be something you cannot expect as of right, but at least you will be entitled to reimbursement of amounts already paid in the event of travel cancellations.

(set up in 1985) was originally intended to coordinate consumer information through the mass media. In the mean time, Comac has begun to produce its own programmes for radio and television and is developing a pilot project for a videotext system. The network of 70 consumer information centres has access to a computerized information system.

Portugal: As in Spain, the protection of consumers' health and economic interests and their right to information and education are enshrined in the constitution. The national Consumers' Protection Institute (INDC) is responsible for the planning, coordination and implementation of consumer protection policy under the direction of the State Secretariat for the Environment and National Resources. The INDC director is also chairman of an inter-ministerial Committee on the Safety of Goods and Services. The INDC is responsible for information, advice and education, technical studies, comparative testing and the preparation of draft legislation. It works in close cooperation with local authority advice and information centres and with regional cooperation centres which can if necessary call on the advice of experts. In the middle of the 1970s the private Consumers' Protection Association (DECO) was founded.

The main source of information for consumers are the INDC publications (guides, booklets, monthly consumers' magazine *Informar*, media campaigns, studies and a variety of press material). Individual advice can be obtained from local consumer offices run by the INDC and local authorities. The INDC also has a round the clock consumers' telephone and a complaints letterbox. The Directorate-General for Competition and Prices supplies information on price legislation and the Directorate-General for Economic Monitoring gives advice in cases of suspected fraud and health and hygiene checks. Several pieces of consumer legislation have already been adopted. They stipulate, among other things, the translation of instructions for use into Portuguese, com-

pulsory labelling of textiles and tobacco goods and lay down rules for price-marking and advertising of foodstuffs.

United Kingdom: Responsibility for consumer interests is divided between the Department of Trade and Industry and the Office of Fair Trading. The Ministry of Agriculture is responsible for food labelling. The National Consumer Council represents the interests of consumers *vis-à-vis* the government and other public bodies. The largest consumers' organization, the Consumers' Association, is totally independent of financial grants. It is financed purely from membership fees and the sale of its publications (including the monthly *Which?* and specialist magazines such as *Gardening Which?* and *Motoring Which?*, in which the results of comparative tests are also published). Product analyses are also published by commercial magazines, radio and television. Three types of organization provide advice and assistance: general information centres, such as the numerous Citizens' Advice Bureaux, centres providing information in specific fields (law centres, housing advice centres and money advice centres) and, finally, information centres under the direction of the local trading standards departments. Binding labelling regulations have already been adopted for a wide range of products and services, e.g. concerning prices, food ingredients, composition of textiles and terms of consumer credit.

Varied as the picture at national level may be, it is nevertheless possible to discern a number of elements common to the information policy of all Member States:

- (i) Information and advice can be obtained from more than one source in all Member States.
- (ii) There are both public and private consumer protection organizations.
- (iii) Consumers everywhere took the initiative themselves to protect their interests by founding organizations wielding a varying degree of influence.

(iv) In general, it is recognized that there is a need for State intervention (in whatever form) in order to secure a minimum of consumer information.

In spite of these obvious common principles, the differences in national approach predominate:

(i) There are marked differences in awareness of consumer issues from one country to another.

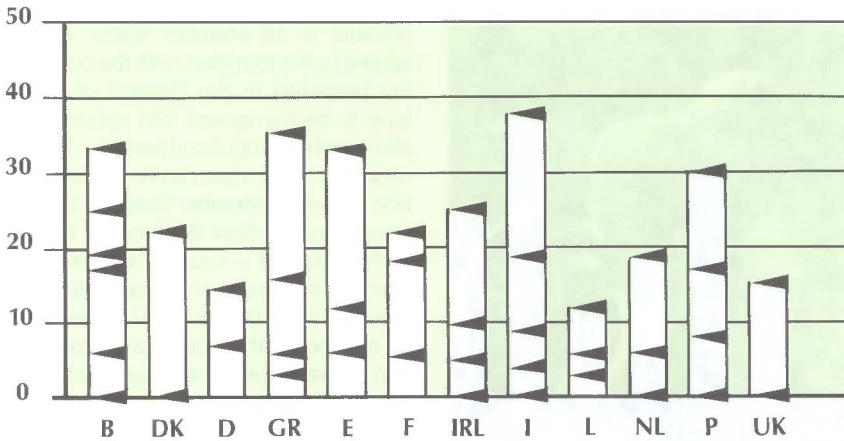
(ii) Consumer policy has a totally different legal and organizational status in the different countries.

(iii) The quality of the national infrastructures for the dissemination of information and ad-

vice differs considerably. Germany and the United Kingdom have a closely meshed network of local information centres, while consumers in other countries, e.g. Greece, have relatively few places they can turn to for advice.

(iv) An example may serve to illustrate the differences in the degree of organization of consumers in the Member States: the consumer organization CDC in Italy has around 30 000 members, whereas in the UK, which has roughly the same population, some one million people are members of consumers' organizations. There can be said to be a north-south gradient with regard to consumer protection in the Community.

VAT RATES 1990 (%)



VAT rates	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
Zero rated	0	0	—	—	—	—	0	0	—	0	0	0
Reduced rate	6	—	7	3/6	6	5.5	5/10	4/9	3/6	6	8	—
Standard rate	17/19	22	14	16	12	18.6	25	19	12	18.5	17	15
Highest rate	25/33	—	—	36	33	22	—	38	—	—	30	—

How much VAT do Europeans pay? VAT rates vary very widely, between 0 and 38%. The top rate is lowest in Luxembourg (12%), and highest in Italy (38%).

In addition to these differences, the basis varies, since the same rates do not apply to the same products from one Member State to another.

However, it should be borne in mind that the need for statutory and administrative protection increases in line with the level of industrialization. Standards for pesticide residues in foodstuffs, for example, are not so acutely necessary in countries whose agriculture is scarcely mechanized.

(v) Differences in emphasis have emerged in the Member States as a direct result of the differences in approach: Denmark, for example, has a pioneer role in informative product labelling within the Community. France is well ahead in the introduction of electronic communication media, the UK and Germany have the most fine-meshed network of information centres. Spain and Portugal have placed consumer protection on the firmest legal basis of all the countries.

Consumer protection always involves a fair measure of regulatory policy. Consumer policy influences the economic system and

vice versa. It is not least also a child of the given social, economic and cultural environment. Even at national level, consumers' associations, government and sectors of industry do battle almost with religious fervour on the right course to be followed. While some are keen to have legislation that is as liberal as possible in order to encourage industry to keep on investing, others are in favour of tougher, more decisive regulation in order to secure a high level of protection. This already broad (national) spectrum of opinion is, of course, even more diverse in the Community of Twelve.

■ PROBLEMS IN THE TRANSPOSAL OF COMMUNITY LEGISLATION INTO NATIONAL LAW

Commission regulations are the only Community provisions that are directly applicable in all Member States. Directives agreed by the ministers with the corresponding portfolios in the Council of Ministers have to be transposed into national law — albeit within a stipulated period — before the measures in question can be applied in practice. However, Member States do not always scrupulously follow the letter of the law in such transposal — a further side-effect of differences in consumer policy traditions. (If a Member State fails to observe the deadline for transposal, the Commission can take action against it before the European Court of Justice in Luxembourg.)

The legislator and authorities in the Member States always have a degree of leeway when incorporating Community provisions in national laws and regulations. This is deliberate, in order to accommodate the differences in Member States' legal systems. However, this room for manoeuvre has the effect that Community directives are not transposed in the same manner and with the same firmness of purpose in all Member States. As far as consumers are concerned, this can mean that national conditions



The toy safety Directive was one of the first to be adopted under the new approach. Details are no longer harmonized, only the essential safety requirements.

deviate despite a decision at Community level. However, it is the Member States, and

not 'Brussels', that are to blame for this state of affairs.

ENHANCED STATUS FOR EUROPE'S CONSUMER POLICY

For a long time, the Commission attempted to create a uniform level of protection at Community level and at the same time eliminate trade barriers through harmonizing standards and regulations. Particularly in the case of foodstuffs, complete harmonization was the rule. This strategy was not particularly successful. Discussions on individual provisions often dragged on for many years or failed to reach any conclusion at all.

The reason for this was the requirement that decisions in the Council of Ministers had to be unanimous. In other words, an individual Member State that feared disadvantages for its own economy as a result of harmonization — e.g. reduced export opportunities, loss of jobs, tougher competition — was able to block a decision with its veto. The frequent consequence was agreement only on the lowest common denominator. Hundreds of new standards were adopted at national level before a single uniform standard of any kind was successfully adopted at European level.

■ THE NEW APPROACH

In view of this bad record, the Commission developed a radical 'new approach' in its White Paper on the internal market. This provides that national regulations, e.g. on production and marketing, are no longer harmonized in every detail by the Council of Ministers. The directives in question now only define the essential safety requirements — for specific, very broad product categories — with which products must comply (the safeguarding of human health and safety) in order to be able to be placed on the market without restriction in all Community countries. The task of drawing up detailed technical standards for practical application

has fallen to the experts of CEN and Cenelec, the private European standardization bodies. Such European standards are optional — they are not binding on manufacturers. On the other hand, producers can be certain that their products meet the general safety standards of the Community when they conform to CEN and/or Cenelec standards. Products shown to conform to these standards can then circulate freely in the single market.

The new approach has several advantages: firstly, decisions are transferred from the highest political level (Council of Ministers) to the expert level (CEN/Cenelec). This



The removal of the Community's internal frontiers is not intended just to enable Community industry to be more competitive worldwide but also to improve the quality of life of consumers.

transfer has helped to avoid unnecessary harmonization endeavours and considerably speeded up the process in the last few years. Secondly, it provides manufacturers with a solid European regulatory framework for production and marketing of their goods. Producers who apply CEN standards to their products can be sure of free access to the markets of all Community countries. A country may only prohibit the sale of an imported product if it has substantiated reservations about its health and safety aspects (safeguard clause), but this action is subject to review by the Commission. Thirdly, consumers all over Europe can rely on a uniform minimum level of protection when purchasing food and technical goods.

In principle, the individual Member States still have the authority to apply more stringent provisions in their territory so long as this does not constitute a barrier to free trade in the Community. In the event of



Since February 1990 a Community Directive lays down the standards for food packaging ...

dispute, it is for the European Court of Justice in Luxembourg to decide.

In the food sector in particular, the Community now limits its harmonization activities to those sectors in which the lack of Community arrangements threatens to create trade barriers and where a European initiative is essential in the public interest. This primarily concerns 'horizontal' provisions applying to all foodstuffs — in particular on additives and pesticide residues; materials and articles intended to come into contact with food; food production and handling processes and labelling, presentation and packaging of food. The specific composition of individual products or groups of products is no longer harmonized. In the event of disputes over admissibility, the principle laid down by the Court of 'mutual recognition' of traditional national recipes applies. This means, for example, that British chocolate can be placed on the market in all Community countries regardless of its composition, and it is irrelevant in the case of yoghurt whether the yoghurt itself or the fruit it contains are coloured. What is lawful in one Member State must be lawful in all Member States.

In its landmark 'Cassis de Dijon' judgment the Court decided in 1987 that any product lawfully produced and marketed in one Member State may be sold in every other country of the Community. In this case Germany had prohibited the sale in its territory of blackcurrant liqueur manufactured in France in accordance with French regulations, invoking the provisions of its own food legislation. The Court revoked this ban.

The Court stated in its grounds that national provisions could only block imports from another Member State if they were essential to the protection of health and the defence of consumer interests. This was the only case in which the 'basic right' of the free movement of goods in the single market could be forfeited. Conversely, appropriate national provisions to protect the health and safety of consumers must therefore be valid. The Court subsequently affirmed this principle

on several occasions. Problems affecting the free movement of goods arising from differences in national legislation must, if necessary, be solved through harmonization.

■ THE NEW LEGAL BASIS

Another reason why consumer protection in the Community did not exactly make giant strides was the uncertain legal basis. The 1957 EEC Treaty nowhere makes explicit mention of a policy to protect consumers. There are nevertheless some allusions. The preamble defines as an essential objective the 'constant improvement of the living and working conditions' of the people of Europe. In addition, the Community has 'as its task' an 'accelerated raising of the standard of living'. Furthermore, Community competition policy is designed — as already mentioned — to prohibit developments 'to the prejudice of consumers'.

The adoption of the Single European Act brought about a considerable improvement in the legal position. The Single Act, which came into force on 1 July 1987, represents the first extension/amendment of the Treaties establishing the European Community. The Single Act stipulates the objective of establishing the internal market by 31 December 1992. It also made changes to the decision-making process and the institutional structure of the Community. As a result, majority decisions of the Council are now possible in many sectors.



... and for substances which come into contact with food when it is marketed.

The Single Act writes the objective of protection of the environment and consumers into the Treaties for the first time. Article 100(a)(3) states that the Commission, in its proposals on the internal market concerning 'health, safety, environmental protection and consumer protection, will take as a base a high level of protection'.

THE THIRD ACTION PROGRAMME

The Single Act thus provides a concrete basis for consumer protection. The Council of Ministers' resolution of 9 November 1989 calling for increased efforts in the field of consumer policy, particularly in view of completion of the single market in 1992, is another such basis.

The Commission also takes the view that 'accelerated activity' on consumer issues is necessary. In order to avoid spreading personnel and financial resources too thinly, it restricted its proposals for the three-year action plan of consumer policy to those areas where Community initiatives are essential to the success of the internal market. This includes a (limited) number of legislative measures to harmonize national rules and action to improve representation of consumers' interests and consumer information. All other areas are to remain the responsibility of the Member States. This virtually amounts to application by the Commission of the 'subsidiarity principle' in consumer policy: Community measures where necessary to protect consumers, national responsibility where possible. Through adopting this approach, the Commission is above all aiming to avoid having to act on too many consumer policy 'fronts' simultaneously.

The new action plan has four main areas of focus: consumer representation, information, safety and commercial transactions.

■ REPRESENTATION AND ACTIVE PARTICIPATION

The economic and social objectives of the European single market — promotion of economic growth, increase of the innovative capacity and competitiveness of industry and enhancement of the general level of prosperity — can be achieved only with the

active participation of consumers in both the legislative process and in the market.

To this end, the Commission's action plan foresees creating a balance between suppliers of goods and services (manufacturers, importers, distributors) and consumers' representatives. There is a need at Community level, too, for an effective system of consumer representation. The new Consumers' Consultative Council, which is to be recruited in future from a much broader spectrum of consumer groups, might be a step in this direction. An important function of this Council will be the systematic exchange of information and experience of consumer policy in the Member States.

A further important aspect of the plan to improve consumer representation is the creation of formal structures for dialogue between producers and consumers. In future, regular exchanges of views and negotiations between these two groups are to become a permanent institution at Community level and at national level in all Member States.

■ CONSUMER INFORMATION — A TRANSMISSION BELT FOR THE SINGLE MARKET

Before we go on to discuss the Commission's aims and plans, it is worth considering the importance of comprehensive information for consumers. By choosing a specific product, the consumer is sending out a signal, establishing criteria and trends. The growing market share of environment-friendly products in the last few years provides eloquent confirmation of this theory: sufficient pressure of demand for such products has stimulated a corresponding supply. However, freedom of choice is not only a consumer's legitimate democratic right, but also makes economic sense. In the final analysis, the collective will of consumers

WHO MAKES CONSUMER POLICY IN THE EUROPEAN COMMUNITY?

Community 'laws' take the form of directives and regulations. Directives have to be transposed into national law by the national parliaments before they can enter into force in the Member States. Regulations enacted by the Commission, on the other hand, are directly applicable.

Directives are decided by the Ministers with the relevant portfolios from the Member States in the Council of Ministers on the basis of a proposal from the Commission. Before the Commission tables a proposal for a directive, it consults the advisory committees. The organizations affected, including representatives of the consumers' associations, deliver their opinion.

The reform of the EEC Treaty by the Single European Act gave the European Parliament new opportunities to wield influence. Parliament can now table amendments to draft directives proposed by the Commission. At second reading, Parliament's wishes can be rejected by the Council of Ministers only by unanimous decision. In the past, Parliament has set the pace in consumer protection in Europe.

The European Court of Justice demonstrated the importance of its role in Community consumer policy in 1979 when it pronounced judgment in the 'Cassis de Dijon' case. It is likely that the Court will be called on increasingly frequently in future to arbitrate in disputes involving the two principles enshrined in the EEC Treaty, namely a high level of consumer protection on the one hand and the free movement of goods and services on the other.

The decisions of the European standardization bodies CEN and Cenelec also have a direct impact on consumers' daily lives, as the new approach to the removal of technical barriers to trade provides that only the essential safety requirements of product groups should be laid down at political level in Brussels. Community standards (of a voluntary nature) which guarantee the safety of products if applied by the manufacturer are then drafted as a second stage by experts in the standardization bodies. However, consumer organizations are not yet represented on these bodies.

helps to prevent the dissipation of expensive resources in raw materials and capital. Goods that cannot be sold will not be produced. It is therefore of crucial importance to the creation of an efficient single European market that informed consumers assume their role as decision-makers — in particular as trade barriers continue to disappear. Only consumers with full knowledge of the range of products on offer will benefit from the advantages of healthy competition. For this reason, the fullest possible consumer information and education are important building blocks for the market without fron-

tiers. Consumer information can thus be seen as a lubricant for the functioning of the internal market.

The sheer volume of changes in legislation, standards and control procedures required in order to open up the single market will create an enormous need for information on the part of consumers which will have to be satisfied. The expected wider choice of goods and services in the single market will, in turn, give rise to a growing demand for information. By contrast, schoolchildren and adults are not yet receiving the necessary education and information in all Community

countries to prepare them for their role as responsible consumers.

The Commission therefore proposes promoting cooperation between consumer organizations and schools. In addition, the Commission's information and education programmes are to incorporate consumer policy aspects. Above all, the Commission will support three pilot projects setting up European consumer information and advice centres in frontier areas.

There is growing awareness of the need for maximum transparency in the presentation and supply of goods and services. Information criteria must be standardized to enable consumers to judge price-quality relationships in the face of growing variety. For example, consumers must be able to recognize national differences in foods on the basis of details on the labelling about ingredients, production processes and nutritional value. Uniform labelling regulations are necessary if consumers are to be able to compare quality and price of competing products and assess new quality concepts such as organic products, etc.

Existing Community labelling regulations must be reviewed and adapted to new re-

quirements. A Community directive on general product labelling is therefore planned. In addition, the Commission is working on special labelling provisions for quality products.

Particular attention must be devoted to the transparency of banking, insurance and other financial services in the market without frontiers. Healthy competition in this sector is crucial to all other aspects of the internal market. Here the Commission is planning a number of initiatives, including in particular proposals for greater transparency in cross-frontier financial transactions ('transparent charges').

The most important tool to assist consumer choice in the opinion of many consumers' associations is comparative testing of goods and services. In many Member States, these tests are carried out by independent institutes, and in some cases by the consumers' associations themselves. The results of these comparative tests are published. They help the consumer obtain an overall picture of the market. They promote the transparency of supply and create a fair balance between the

PRODUCT SAFETY — A PROPOSAL ON THE TABLE

An important element of consumer protection in the single market in the Commission's view would be a directive on general product safety. A corresponding proposal has been before the Council of Ministers since April 1989. The proposal provides that a product may be placed on the European market only if it complies with common safety standards. These standards must be observed by manufacturers, importers and distributors. This would outlaw unacceptable risks, evaluated on the basis of objective criteria which reflect society's general expectations of a product.

In addition, the proposal also contains provisions on accidents and damage: for example, Member States must ensure the smooth functioning of the existing international system for the rapid exchange of information on safety/critical properties of a product. Furthermore, Member States' authorities must restrict or, if necessary, completely ban the marketing of a product which poses a risk of an 'immediate and grave' nature.

interests of suppliers and consumers. The Commission has announced its intention in the action programme of promoting cooperation between the national test institutes at Community level.

Advertising on its own is not an adequate source of information for consumers, but it is nevertheless a valid one. In the Commission's view, consumers would find it easier to make their choice if comparative advertising — within clearly defined bounds — were permissible, as is already the case in some Member States. The Commission therefore intends to amend the directive on misleading advertising to allow this.

■ SAFETY LEGISLATION — A CONFIDENCE-BUILDING MEASURE

Although a great deal of harmonized legislation on consumer safety has already been

adopted (see chapter 'What has been achieved?'), the Commission lists a series of measures in its third action plan as a 'significant step required to build consumer confidence'. These measures include specific directives covering product and service sectors not already addressed.

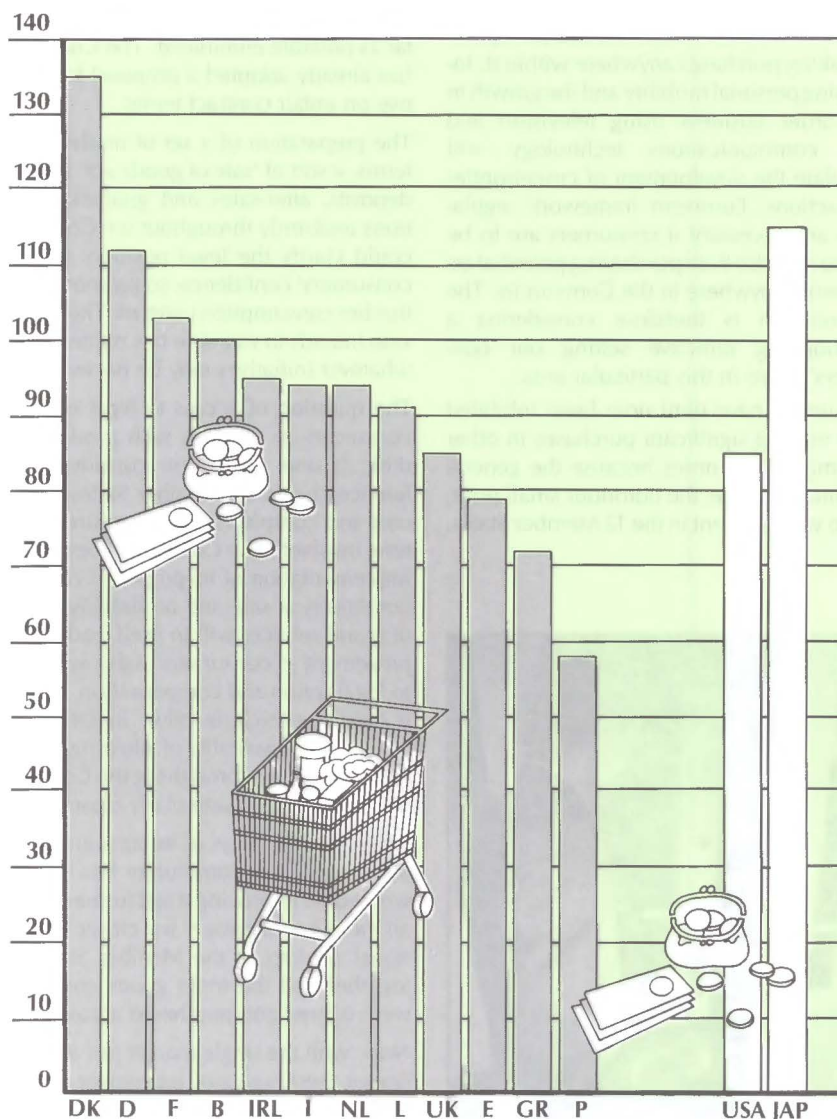
Guide values, limit values and other provisions are to be adapted to progress in technology and research. Effective safety measures for coping with emergencies are to be adopted. A number of ground rules will be established stipulating how Member States have to deal with safety problems. In this context the Commission is urging rapid adoption of its proposed product safety directive by the Council of Ministers (see box).

A draft directive regulating civil liability throughout the Community for physical damage caused by defective services will round off the Community's safety profile in the single market.



The Council of Ministers of the European Communities could only agree on what constituted 'misleading advertising' after lengthy discussions.

INDICES OF PRICES FOR PRIVATE CONSUMPTION (JANUARY 1990)



For the same basket of goods and services, representative of private consumption, an outlay calculated (in a single currency or its exchange value) at 100 in Belgium corresponds to expenditure of 137 in Denmark, 112 in Germany, 96 in Ireland, etc.

Source: Eurostat.

UNIFORM LEGAL FRAMEWORK FOR CROSS-FRONTIER TRANSACTIONS

The full benefit of the single market will only be felt when consumers exercise the option of making purchases anywhere within it. Increasing personal mobility and the growth in mail-order business using television and new communications technology will stimulate the development of cross-frontier transactions. European framework regulations are necessary if consumers are to be able to exercise their purchasing potential on fair terms anywhere in the Community. The Commission is therefore considering a teleshopping directive setting out consumers' rights in this particular area.

Consumers have until now been inhibited from making significant purchases in other Community countries because the general conditions of sale, the notorious small print, are so very different in the 12 Member States.



'Doorstep selling' is now also subject to European legislation.

Uncertainty and reticence are the response to the unfamiliar legal system and foreign language. The Commission therefore feels that the elements in the existing contract laws of Member States likely to inhibit cross-frontier purchasing must be identified and as far as possible eliminated. The Commission has already adopted a proposal for a directive on unfair contract terms.

The preparation of a set of model contract terms, a sort of 'sale of goods act' regulating deposits, after-sales and guarantee conditions uniformly throughout the Community, could clarify the legal position and boost consumers' confidence, so promoting cross-frontier consumption patterns. The Commission intends to examine this matter and take whatever initiatives may be necessary.

The question of access to legal redress for consumers in disputes with producers is a difficult one. There are considerable differences between Member States as to the cost and complexity of procedures and the time involved. The Commission expects that implementation of its proposals on general conditions of sale and on liability for products and services will in itself lead to an improvement in consumers' rights with regard to legal action and compensation. However, it does not exclude other initiatives if required. The possibility of allowing group actions for redress throughout the Community is being studied particularly closely.

Since the early days of its consumer protection policy, the Community has constantly worked on improving it still further. This was all the more necessary the closer the 12 national markets of the Member States grew together and the more goods and services were offered and purchased across borders.

Now, with the single market just around the corner, there is general agreement at the level of the Community, the Council of Ministers, the European Parliament and, of course, the national and European consumers' associations, that further efforts are necessary.

The artificial borders which still hamper intra-Community trade will be removed by the

end of 1992. With every barrier that is torn down, a new dimension is added to the single market. This market will to a large extent benefit consumers — in the form of even wider choice and possibly also of lower prices. Common minimum framework provisions, product standards and information rights as flanking measures will safeguard the health and safety of consumers Europe-wide.

An important role in all of this lies with the Commission, having as it does the right to make proposals for directives, regulations, recommendations and other measures. Its consumer policy action plan is specifically geared to the 1992 single market.

A great many measures have already been adopted at Community level. More will follow. However, the road to consensus at the 'Brussels negotiating table' is often extremely long. Very often it is a case of reconciling conflicting group interests, opinions and philosophies in the field of consumer policy.

Dialogue (between consumers on the one hand and producers, importers and distributors on the other) and solidarity (between more advanced countries and others with still some way to go) should be the guiding principles in the opinion-forming process, culminating in a European compromise. Such a compromise will always bring more beneficial results than unilateral national action. In any case, the scope for such unilateral action has become increasingly narrow.

Certainly there is no intention of creating a standardized 'Euro-consumer'. On the contrary: the goal is diversity within Europe and not international uniformity. National and regional particularities in the range of goods and services on offer and in consumer behaviour will continue to be both possible and desirable.



European Community competition policy also seeks to ensure that the consumer's rights are protected in the single market without frontiers.

FURTHER READING

EC PUBLICATIONS

- Consumer redress**
Supplement 2/85 to the *Bulletin of the European Communities*, 1985
ISBN 92-825-5171-7
 - A new impetus for consumer protection policy**
EC Commission, Luxembourg, 1985
ISBN 92-825-5668-9
 - Ten years of Community consumer policy. A contribution to a people's Europe**
EC Commission, Luxembourg, 1985
ISBN 92-825-5381-7
- Eamonn Lawlor
- Individual choice and higher growth. The aim of consumer policy in the single market**
Second edition
EC Commission, Luxembourg, 1989
ISBN 92-826-0087-4
 - 'Three-year action plan of consumer policy in the EEC 1990-92'**
COM(90) 98 final, 3. 5. 1990, 19 pp.

OTHER PUBLICATIONS

- Lindsay Armstrong, Alain Dauvergne
- L'Europe 93, tout ce qui va changer pour les consommateurs**
Paris, Balland, 1990, 259 pp.
 - Consumers and life insurance**
Paris, OECD, 1987, 79 pp.
 - Consumers and the common agricultural policy**
A report by the National Consumer Council
London, HMSO, 1988, VII, 313 pp.

- Ross Cranston
- Consumers and the law**
London, Weidenfield and Nicolson, 1978, 514 pp.
 - Electronic funds transfer, plastic cards and the consumer**
Paris, OECD, 1989, 136 pp.
- Sigmund Groenmo
- 'The strategic position of consumers in the information society'**
in *Journal of consumer policy*
Dordrecht, Kluwer Academic Publishers, 1987, 10/01, pp. 43-67
- M. Kramer
- EEC consumer law**
Collection Droit et Consommation
Ed. Story-Scientia, Bruxelles, 1986, 390 pp.
- M. Kramer
- EWG-Verbraucherrecht**
Nomos Verlagsgesellschaft, Baden-Baden, 1985, 430 pp.
- M. Kramer
- La CEE et la protection du consommateur**
Collection Droit et Consommation
Ed. Story-Scientia, Bruxelles, 1986, 379 pp.
 - Le coût des restrictions à l'importation, l'industrie automobile**
Paris, OECD, 1987, 195 pp.
 - Les consommateurs et l'assurance-vie**
Paris, OECD, 1987, 87 pp.
 - Les transferts de fonds électroniques, les cartes de paiement et le consommateur**
Paris, OECD, 1989, 151 pp.
- J. Martin del Castillo
- 'Los consumidores, sus organizaciones y el Acta unica europea, objetivo 1992'**
in *Gaceta juridica de la CEE*, Serie D/11,
Madrid, 1989, pp. 251-292
- M. Mattera
- Le marché unique européen, ses règles, son fonctionnement**
Ed. Jupiter, Paris, 1988

Jacqueline Poelmans

- ***L'Europe et les consommateurs***
Ed. Labor, Bruxelles, 1978, 172 pp.

M. Reich, M. Micklitz

- ***Consumer legislation in the EC countries***
Van Nostrand Reinhold Co, Wokingham, 1980

Gerhard Scherhorn

- **'The goal of consumer advice: transparency or autonomy?'**
in *Journal of consumer policy*
Kluwer Academic Publishers, Dordrecht,
1985, 08/02, pp. 133-151

Preben Sepstrup

- **'Information content in TV advertising, consumer policy implications of the growing supply of TV advertising in Europe'**
in *Journal of consumer policy*
Kluwer Academic Publishers, Dordrecht,
1985, 08/03, pp. 239-265

- ***The cost of restricting imports, the automobile industry***
Paris, OECD, 1987, 173 pp.

Adrian Weser

- ***Informative Warenkennzeichnungen, eine Hilfe für die Kaufentscheidungen des Verbrauchers***
Ulmer, Stuttgart, 1980, 84 pp.

Commission of the European Communities Rue de la Loi 200, B-1049 Bruxelles

Bureau en Belgique Bureau in België

Rue Archimède 73
1040 Bruxelles
Archimedesstraat 73
1040 Brussel
Tél. 235 38 44
Télex 26 657 COMINF B
Télécopie 235 01 66

Kontor i Danmark

Højbrohus
Østergade 61
Postbox 144
1004 København K
Tlf.: 33 14 41 40
Telex 16 402 COMEUR DK
Telefax 33 11 12 03 / 33 14 12 44

Vertretung in der Bundesrepublik Deutschland

Zitelmannstraße 22
5300 Bonn
Tel. 53 00 90
Fernschreiber 886 648 EUROP D
Fernkopie 5 30 09 50

Außenstelle Berlin

Kurfürstendamm 102
1000 Berlin 31
Tel. 8 96 09 30
Fernschreiber 184 015 EUROP D
Fernkopie 8 92 20 59

Vertretung in München

Erhardtstraße 27
8000 München 2
Tel. 2 02 10 11
Fernschreiber 5 218 135
Fernkopie 2 02 10 15

Γραφείο στην Ελλάδα

2, Vassilissis Sofias
T.K. 11 002
106 74 Athina
Tel. 724 39 82/3/4
Télex 219 324 ECAT GR
Telefax 724 46 20

Oficina en España

Calle de Serrano, 41, 5ª
28001 Madrid
Tel. 435 17 00/435 15 28
Télex 46 818 OIPE
Fax 576 03 87

Comisión de las Comunidades Europeas
Edificio Atlántico
Av. Diagonal, 407 bis, Planta 18
08008 Barcelona
Tel. (3) 415 81 77 (5 líneas)
Télex (3) 415 70 44
Fax (3) 415 63 11

Bureaux de représentation en France

Bureau à Paris
288, boulevard St-Germain
75007 Paris
Tél. 40 63 40 99
Télex CCEBRF202271F
Télécopie 45 56 94 19/7

Bureau à Marseille

CMCI
2, rue Henri-Barbusse
13241 Marseille Cedex 01
Tél. 91 91 46 00
Télex 402 538 EURMA
Télécopie 91 90 98 07

Office in Ireland

Jean Monnet Centre
39 Molesworth Street
Dublin 2
Tel. 71 22 44
Telex 93 827 EUCO EI
Telefax 71 26 57

Ufficio in Italia

Via Poli, 29
00187 Roma
Tel. 678 97 22
Telex 610 184 EUROMA I
Telecopia 679 16 58

Ufficio a Milano

Corso Magenta, 59
20123 Milano
Tel. 80 15 05/6/7/8
Telex 316 200 EURMIL I
Telecopia 481 85 43

Bureau au Luxembourg

Bâtiment Jean Monnet
rue Alcide De Gasperi
2920 Luxembourg
Tél. 430 11
Télex 3423/3446 COMEUR LU
Télécopie 43 01 44 33

Bureau in Nederland

Korte Vijverberg 5
2513 AB Den Haag
Tel. 546 93 26
Telex 31 094 EURCO NL
Telefax 564 66 19

Gabinete em Portugal

Centro Europeu Jean Monnet
Largo Jean Monnet, 1-10.º
1200 Lisboa
Tel. 54 11 44
Telex 18 810 COMEUR P
Telecópia 55 43 97

Office in the United Kingdom

Jean Monnet House
8 Storey's Gate
London SW1P 3AT
Tel. 222 81 22
Telex 23 208 EURUK G
Telefax 222 09 00/222 81 20

Office in Northern Ireland

Windsor House
9/15 Bedford Street
Belfast BT2 7EG
Tel. 240 708
Telex 74 117 CECBEL G
Telefax 248 241

Office in Wales

4 Cathedral Road
PO Box 15
Cardiff CF1 9SG
Tel. 37 16 31
Telex 497 727 EUROPA G
Telefax 39 54 89

Office in Scotland

9 Alva Street
Edinburgh EH2 4PH
Tel. 225 20 58
Telex 727 420 EUEDIN G
Telefax 226 41 05

United States of America

Washington

2100 M Street, NW
(Suite 707)
Washington, DC 20037
Tel. (202) 862 95 00
Telex 64 215 EURCOM NW
Telefax 429 17 66

New York

Suboffice to the Washington office
3 Dag Hammarskjöld Plaza
305 East 47th Street
New York, NY 10017
Tel. (212) 371 38 04
Telex 012 396 EURCOM NY
Telefax 758 27 18

Nippon

Tokyo
Europa House
9-15 Sanbancho
Chiyoda-Ku
Tokyo 102
Tel. 32 39 04 41
Telex 28 567 COMEUTOK J
Telefax 239 93 37

Schweiz-Suisse-Svizzera

Genève

Case postale 195
37-39, rue de Vermont
1211 Genève 20
Tél. 734 97 50
Télex 282 61/2 ECOM CH
Télécopie 734 23 31

Venezuela

Caracas
Calle Orinoco
Las Mercedes
Apartado 76 80 76
Las Américas 1061 A
Caracas
Tel. 91 51 33
Télex 27 298 COMEU VC
Telecopia 91 88 76

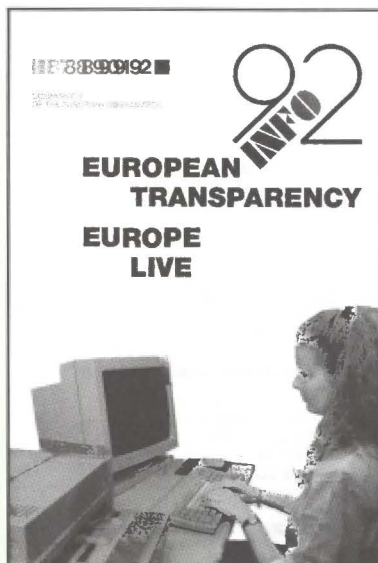
INFO 92

THE COMMISSION OF THE EUROPEAN COMMUNITIES' DATABASE FOCUSING ON THE OBJECTIVES OF THE SINGLE MARKET

Help Desk Eurobases:

Fax: + 32 (2) 236 06 24

Tel.: + 32 (2) 235 00 03



INFO 92 contains vital information for all those who intend to be ready for 1992.

INFO 92 is nothing less than a 'single-market scoreboard'. It provides a

running commentary on the course of Commission proposals as they advance from stage to stage, with each notable development summarized and set into context.

The game is followed right to the end, i.e. up to the transposition of directives into Member States' internal legislation.

Using INFO 92 is simplicity itself.

It can be consulted on screen by means of a wide range of everyday equipment connected to specialized data relay networks.

Fast transmission, the instant updating facility (several times a day, if necessary) and dialogue procedures requiring no prior training make INFO 92 ideal for the

general public as well as business circles and the professions.

The system offers easy access to information by means of suggested menus and a logical presentation, modelled on the structure of the White Paper and the stages of the decision-making process within the institutions.

Inquiries may also be made to the Commission's Information Offices or — for small businesses — the Euro Info Centres now open in all regions of the Community.

European Communities — Commission

CONSUMER POLICY IN THE SINGLE MARKET

(second edition)

Luxembourg: Office for Official Publications of the European Communities

1991 — 42 pp. — 16.2 x 22.9 cm

European Documentation series — 1991

ISBN 92-826-2054-9

Catalogue number: CM-NC-91-002-EN-C

This booklet provides information about consumer protection at Community level and in the individual Member States, with particular reference to the single market and 1992.

IN THE SAME COLLECTION (continued)

EEC competition policy in the single market (*second edition*)
Europe without frontiers — Completing the internal market (*third edition*)
The European Commission and the administration of the Community
The European financial area
A common agricultural policy for the 1990s (*fifth edition*)
European unification — Gestation and growth (*third edition*)
1992 — The social dimension (*fourth edition*)
Europe — A fresh start — The Schuman Declaration 1950-1990
A human face for Europe
Environmental policy in the European Community (*fourth edition*)
Taxation in the single market
Energy in the European Community (*fourth edition*)
The European Community and its Eastern neighbours
The ABC of Community law (third edition)

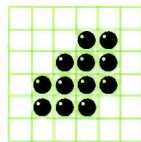
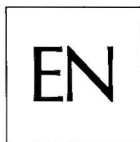
BROCHURES FOR BUSINESSMEN * (*in the same collection*)

Grants and loans from the European Community
Government procurement in Japan: the way in (*out of print*)
The European Commission's powers of investigation in the enforcement of competition law
Public procurement and construction — Towards an integrated market (*second edition*)

OTHER PUBLICATIONS FOR THE GENERAL PUBLIC

Working together — The institutions of the European Community — By E. Noël, President of the European University Institute
Steps to European unity — Community progress to date: a chronology (*fifth edition*)
A journey through the EC — Information on the Member States and the development of the European Community
European File — Each month two topics of current European events
Bulletin of the European Communities — A monthly survey covering milestones in the building of Europe
Basic statistics — Published annually, an essential statistical guide to the Community
Colour map — The European Community — Political map, Member States, regions and administrative units
The European Community as a publisher — Extract from our catalogue of publications

* The brochures for businessmen cannot be obtained on subscription. They are available at the information offices (see list of addresses).



The single market is intended to benefit everybody.

The removal of frontiers between the Member States of the European Community is not intended solely to give firms in industry and the services sector better growth opportunities but also to provide consumers with better goods at fair prices.

The Single European Act, the basis for establishing the single market, speaks of the need for a high level of protection for consumers. In other words, consumers must be protected against the disadvantages which could result from the removal of internal frontiers, i.e. against monopolies which dictate the price and quality of goods, against misleading advertising, against unhealthy food, and against dangerous substances in everyday articles. In a single market without frontiers even toy safety should be regulated on a Community-wide basis.

This booklet is intended to provide information about matters of relevance to consumers in connection with '1992'. It also describes consumer protection traditions and organizations in the Member States, and the third action programme of the Commission of the European Communities.

ISBN 92-826-2054-9



OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES

L-2985 Luxembourg



9 789282 620540