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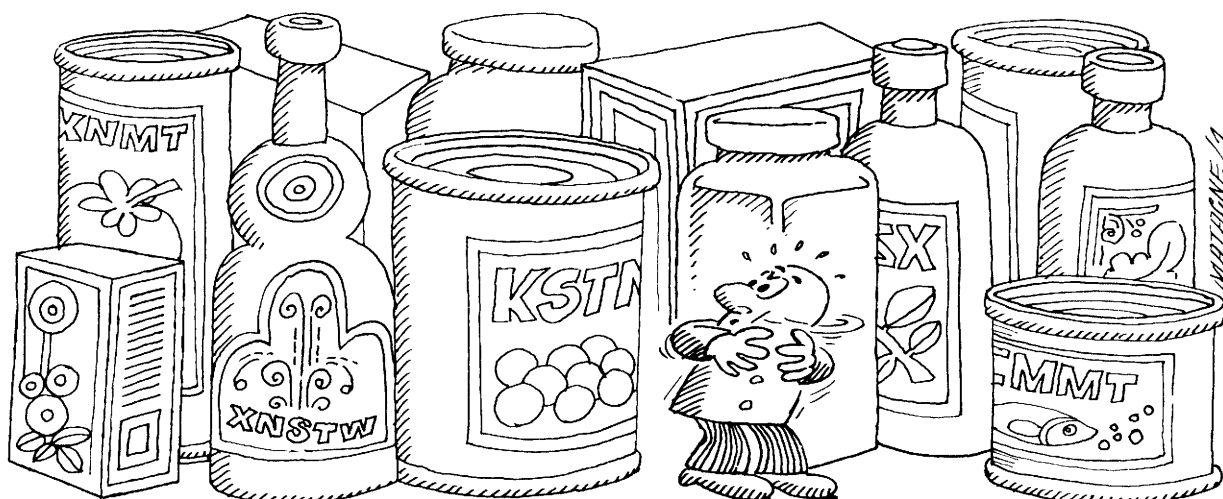
## europa day by day

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### CONSUMERS' CONSULTATIVE COMMITTEE AND THE EUROPEAN COMMUNITY

Europe's consumers are becoming more discerning, better organised and able to make their voices heard within the Community. The European Commission is concerned that consumers be heard right where the decisions that affect them are being taken. On 25 September 1973 the Commission set up the Community's Consumers' Consultative Committee to do just that. Three years later we present a round up of its activities and achievements to date.



Life needn't be so confusing for the consumer !

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I. WHY EUROPE'S CONSUMERS NEED A CONSULTATIVE COMMITTEE

Europe's 260 million inhabitants are all consumers. Despite their size Europe's consumers are still isolated in relation to producers and distributors who are, by contrast, powerfully organised. The development of consumer society has profoundly changed the relationship between consumers and suppliers. At one time the consumer was just a familiar face that could wander along to the local market or corner shop. Human contact entered into the relationship. Today the producer is an industrial concern, the shopkeeper has become an anonymous distributor and the consumer is left feeling deserted in a mass market where he is pitted against well organised suppliers.

In the same way that the trade union movement was born from industrial society, the consumer movement has evolved from consumer society. Consumers have realised that as individuals they possess only a limited power. They have therefore sought to group together so as to be better able to publicly defend themselves against producers and distributors who are also organised in groups.

At the European Community level suppliers have quickly taken advantage of a vast common market for trade and investment. Consumers have of course been able to make comparisons of price ranges in the different countries, the quality of products and services provided and the promises and guarantees offered by producers in the Nine. European consumers have also had the opportunity to assess their economic weakness in relation to the strength of producer concerns. The imbalance between the economic power of the producer and that of the consumer already evident in the national market, has grown worse in a market enlarged to six and then nine countries.

The European Commission is fully aware of this imbalance and since the Community was set up for everyone's benefit it is just as aware that it has to listen as hard to consumers as it does to producers and distributors.

With precisely this in mind a Consumers' Consultative Committee was set up in 1973 and linked to the European Commission. Its aim is to let the voice of consumers be heard in the development of the Community. This development can then be directed to the benefit of us all.

## II. MEMBERS OF THE CONSUMER CONSULTATIVE COMMITTEE

The Consumers' Consultative Committee is made up of 25 members. Some are representatives of consumer organisations, others are consumer experts. Consumer organisations are allocated fifteen seats on the Committee :

- three go to the European Bureau of Consumers' Unions (BEUC) which represents the main consumer organisations from most of the European Community ;
- three seats are allocated to the European Community's Committee of family organisations (COFACE) ;
- three seats go to the European Community of Consumers' Co-operatives (Euro-Coop) ;
- six seats go to trade union representatives.

The remaining ten seats are set aside in the CCC's statute for "persons particularly qualified in consumer affairs". Four of these are people appointed by consumer organisations : one for BEUC, one for COFACE, one for EURO-COOP and one for the trade unions.

The other six are independent experts chosen and appointed directly by the European Commission.

CCC members and their alternates are appointed by the European Commission on a three yearly renewable basis.

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### III. THE WORK OF THE CONSUMERS' CONSULTATIVE COMMITTEE (CCC)

The Consumers' Consultative Committee normally meets on European Commission premises in Brussels at least four times a year depending on the pressures of the agenda. Since being formed the CCC has had thirteen plenary sessions.

A plenary session of the CCC usually brings together some forty people. Effectively taking part in the proceedings are not only CCC members or their deputies but other experts, officials from the European Commission (who represent particular Services of the Commission for certain points on the agenda, or who are involved in the organisation of the meeting) and finally a number of observers among whom are the General Secretaries of different consumer organisations.

In between plenary sessions it is essential to have a body capable of undertaking the preparatory work and providing some continuity in dossiers. This role is undertaken by the Bureau. From 1973 to 1976 it consisted of Mr Anthony Dumont, Chairman of the CCC, assisted by two Vice-Chairmen, Mr Etienne Dary and Mr Robert Meis, and four other members, Miss Astrid Lulling, Mrs M. Durand-Drouhin, Mr Michel de Grave and Mr Giuglio Spallone.

In general the Bureau meets once a month as well as before each CCC plenary meeting. Since 1973 the Bureau has met twenty-five times.

To examine a document or a certain topic of consumer interest, or to draw up an opinion on a subject, it is frequently necessary to set up a working group of several CCC members and a number of ad hoc experts. More than fifty meetings of working groups covering a wide variety of subjects have been organised to date.

The secretariat of the CCC is provided by the European Commission's Environment and Consumer Protection Service. Its main job is to prepare agendas for the various meetings of the CCC, the Bureau, and the working groups. This is done in liaison with the Chairman of the CCC. In addition the secretariat has to organise meetings, distribute working documents and take minutes of meetings, etc. To give an idea of the work involved, since October 1973 more than four hundred CCC documents have been distributed in at least three languages to members of the Consultative Committee.

During the first three years of the CCC's existence, its work has been directed in three main areas:



Representing the interests of European consumers at the European Commission

Naturally enough this is the CCC's main job : making the voice of European consumers heard on all Community affairs affecting them. The CCC can give its opinion on a certain subject either at the request of the European Commission, on its own initiative, or by participating in the numerous specialist consultative committees working within the European Commission :

- a) all proposals drawn up by the Services of the Commission likely to be of interest to the Committee are sent to them automatically. The secretariat submits documents to the Chairman who decides on the issues for the Bureau's agenda. The secretariats of the organisations represented by the CCC have the opportunity to consult these documents and can also request the Bureau to take up questions on their behalf.

Normally the Committee sets up working groups to examine these documents. It then discusses the reports drawn up by the working group in the plenary session and gives its views. During the debates the Committee listens to Commission experts. It can also hear experts from outside the European Commission.

From the earliest stages in drawing up Community measures, the Commission services consult the Committee and give it the opportunity to make detailed comments on texts being drawn up and decisions to be taken.

- b) The Committee can also send the Commission its views on subjects it has debated on its own initiative, which gives it a lot of scope for investigation. The CCC has also been known to make resolutions on subjects in the news such as nuclear energy and safety and the common market for potatoes, etc. These resolutions are sent to the appropriate member of the Commission and usually released to the press.
- c) Finally, the CCC is represented by experts on a number of specialist consultative committees that advise the European Commission in its day to day legislative work. This particularly concerns the following committees :

- Advisory Committee on Foodstuffs
- Advisory Committee on Customs Duties
- Advisory Committee on Textiles
- Advisory Committee on Transport

### Coordination among consumer organisations

The CCC provides a special meeting place for organisations representing consumers at the Community level. These organisations have varied origins : some are linked to family organisations, trade unions and cooperatives, others to organisations more strictly involved in protecting consumer interests. Given the variety of interests and preoccupations they require a certain amount of coordination. This is helped greatly by encouraging them to work together within the CCC and its bodies. This point is well illustrated by the CCC's work on the Common Agricultural Policy (CAP).

### Dialogue with other institutions at the European level

By asserting the presence of consumer organisations in the European Commission there is no doubt that the CCC encourages an exchange of views with numerous other institutions and professional bodies organised at Community level.

Following one of its plenary sessions, the Committee was visited by the General Secretary of the European Committee for Standardisation (CEN) who came to explain the workings of his own Committee and to work out a way of introducing consumer representatives.

Being particularly concerned about the direction of the Common Agricultural Policy the Consumers' Consultative Committee has initiated talks with agricultural representatives at the Community level (COPA-COGECA). A liaison group has even been set up from representatives of the CCC and of COPA-COGECA. Industrial and business organisations have started to make contact with the Consultative Committee.

IV. SOME OF THE OPINIONS PUT FORWARD BY THE CONSUMERS' CONSULTATIVE COMMITTEE

The CCC has formulated its position on several proposals drawn up by the European Commission within the framework of a Community policy for consumer protection and information.

a) Door to door

The CCC was requested by the European Commission to give its opinion on a draft proposal for a directive on contracts made outside business premises such as door to door selling. The CCC took the view that the directive should forbid door to door selling of durable products and long term services so that a consumer's need for a product does not overcome him when a salesman pays him a visit. However, given the current practice of door to door selling in numerous European countries the CCC reckons that for a start a strict regulation governing this sort of selling is preferable to a total ban.

b) Product liability

Following a report it adopted on 15 December 1975, the CCC recommended certain modification to a draft directive on the harmonisation of EEC legislation on product liability.

- The CCC agrees that strict liability should be applied. This would strengthen consumer protection by encouraging producers, who become liable, to improve guarantees on products and quality control.
- The CCC wishes that the consumer has the right to compensation in all cases where a product causes damage whether it be physical or material so long as the damage occurred during normal consumption.
- Finally the CCC suggest that the burden of proof should lie with the producer or supplier.

c) Consumer credit

Credit terms are becoming increasingly available for perishable or immediate consumption goods, for clothes, travel and leisure goods. Given the dangers that an extension of credit can bring to an unsuspecting consumer, the CCC has defined a number of principles which should be embodied in a directive on consumer credit.

The consumer should be sufficiently well informed :

- by regulating the advertising which is becoming increasingly important in promoting consumer credit. Advertising all too often tends to highlight the desirable features of certain goods and the so-called "easy terms" of the services tend to satisfy this desire :

- by clear indication to the consumer of the consequences of the transaction, its real cost and the charge for credit. This is a question of enabling a consumer to enter into a contract in full awareness of his obligations and, at the same time, of making the credit market fairer.

A period of reflection during which time the consumer can change his mind is also suggested.

Finally consumer protection should be extended to cover the execution of the agreement and to incidents caused by default of the supplier, creditor or debtor himself.

Still within the framework of the Community's Programme for Consumer Protection and Information the CCC gave its opinion on price surveys carried out by the EEC's statistical office.

Through its 'Prices' working group the CCC examined the results of the Statistical Office's survey of consumer prices (October 1974). Noting the significant disparity in the prices of numerous products the CCC requested the Commission to explain the country by country differences. It asked the Commission whether the divergence in prices were compatible with the satisfactory working of competition in the Common Market.

Noting also that the consumer price surveys only permitted comparisons between capitals the CCC requested that the next survey should cover frontier regions which have similar consumption structures.

Concerning the aims of the Common Agricultural Policy the CCC was asked by the Commission to give its opinion on proposed agricultural prices for the 1976/77 marketing year. Its opinion drawn up at the Bureau's meeting of 10 February 1976 put forward the principal fears of consumers about the proposed increases :

- rising agricultural prices in an inflationary economy ;
- price rises on products that were already in surplus ;
- the cost of this policy to the taxpayer ;
- subsidies for well-run farms ;
- above all, the 'objective method' of calculating agricultural prices is only one of the aspects taken into account by the European Commission in its price proposals. In consequence the Commission proposes an average price rise of 7.5 % when a strict application of the objective method would only give a 4.5 % rise in agricultural prices.

In its opinion the CCC stresses that the CAP is only a price policy. The CAP should take into account the structure of farms as well as existing social policy, commercial policy and regional policy. Urgent action should be taken on the structures for processing, conserving, transporting and distributing agricultural goods. The CCC also feels that direct aid should be given to the poorer small farmers. And the price of products in surplus - such as milk - should be reduced for the benefit of poorer consumers.

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