COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 05.12.1994
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Proposal for a

EUROPEAN PARLIAMENT AND COUNCIL DIRECTIVE

AMENDING COUNCIL DIRECTIVE 79/581/EEC
ON CONSUMER PROTECTION
IN THE INDICATION OF THE PRICES OF FOODSTUFFS
AS AMENDED BY COUNCIL DIRECTIVE 88/315/EEC AND
COUNCIL DIRECTIVE 88/314/EEC ON CONSUMER PROTECTION
IN THE INDICATION OF THE PRICES OF NON-FOOD PRODUCTS

(presented by the Commission)

PROPOSAL FOR A DIRECTIVE AMENDING COUNCIL DIRECTIVE 79/581/EEC ON CONSUMER PROTECTION IN THE INDICATION OF THE PRICES OF FOODSTUFFS AS AMENDED BY COUNCIL DIRECTIVE 88/315/EEC AND COUNCIL DIRECTIVE 88/314/EEC ON CONSUMER PROTECTION IN THE INDICATION OF THE PRICES OF NON-FOOD PRODUCTS

Explanatory memorandum

1 EXISTING PROVISIONS COVERING THE INDICATION OF PRICES

Community legislation on the indication of prices is derived from the Community programmes for a consumer protection and information policy¹, taking the form of the elaboration of common principles concerning the indication of prices and indication of the price per unit of weight or volume, the latter indicator making it easier for consumers to compare prices.

The Council has therefore adopted:

- Directive 79/581/EEC of 19 June 1979 as amended by Directive 88/315/EEC of 7 June 1988 concerning the indication of the prices of foodstuffs² and
- Directive 88/314/EEC of 7 June 1988 on consumer protection in the indication of the prices of non-food products³.
- The 1988 Directives lay down a general obligation to indicate the selling price of all products and the price per unit of measurement of products which are sold in bulk, as well as products pre-packaged in variable quantities. This initial section of the legislation became mandatory in the Member States on 7 June 1990.

OJ No C 92, 25.4.1975, p. 2 and OJ No C 133, 3.6.1981, p. 2

OJ No L 158, 26.6.1979, p. 19 and OJ No L 142, 7.6.1988, p. 23.

OJ No L 142, 7.6.1988, p. 19

The second part of the legislation concerns the indication of the unit price for products pre-packaged in pre-established quantities. Scope was provided for a certain number of exceptions to this obligation where the relevant products are sold in standardised Community ranges. These arrangements, however, proved very complicated in that for certain products an exemption was mandatory whereas for others it was optional

For this second part of the legislation, the Directives stipulate a transitional period which expires on 7 June 1995.

2 THE NEED TO SIMPLIFY EXISTING LEGISLATION

Current legislation causes difficulties both for Member States and the economic operators. These primarily derive from the second part of the legislation, which has been found to be no longer appropriate to current circumstances.

Although all the Member States have communicated the texts transposing the directives and have thus established arrangements for the indication of prices for foodstuffs and non-food products, some have been awaiting the expiry of the transitional period before implementing the mandatory indications or exemptions.

While all Member States have satisfactorily transposed the obligation to indicate the selling price, it seems that the situation as regards the unit price is less rosy, because of the importance certain Member States attach to the standardisation of packaging. The current legislation was based on the premise that a policy in favour of ranges might prove an alternative to indicating the unit price, provided this also facilitated comparison of the price of the products.

Several countries have indicated potential difficulties in implementing the provisions as of 7 June 1995. Basically, these difficulties concern the application of exemptions from indicating the unit price, because economic circumstances have changed considerably in the past 15 years.

3 THE NEW SIMPLIFIED ARRANGEMENTS CANNOT COME INTO FORCE IN JUNE 1995

Framing of the future legislation must meet the twin objectives of enhancing consumer protection and simplification.

Despite extensive consultations over the past year, it has not yet proved possible to finalise provisions which comply with the following criteria:

- the need to enhance the effectiveness of existing legislation;
- respect for the principle of subsidiarity;

 redefinition of the link between information for consumers on the price of products and policy on standardising the packaging of such products.

The review of the legislation should also make it possible to assess the value of a policy of ranges as a means of enhancing the price information available to consumers. Discussions undertaken should very rapidly demonstrate whether a new policy to encourage simplified ranges can provide an alternative solution to the indication of unit prices as a way of allowing consumers to compare the prices of products.

However, the imminent expiry of the transitional period set out in the existing legislation means that it is better not to wait but rather to take precautionary steps to ensure the legal certainty of the existing arrangements and to envisage a reasonable deadline for the implementation of the new arrangements to be set out in the very near future in the form of proposals by the Commission. The present proposal therefore extends by a further four years the transitional period for the provisions applicable to products pre-packaged in pre-established quantities within existing Community ranges.

This is without prejudice to the first part of the current legislation, which remains in force, nor does it affect the general obligation to indicate the sale price of products.

4 CONTENT OF THE PROPOSAL

Article 1

Article 1 provides for the extension of the existing provisions, and notably the transitional period which was to expire on 6 June 1995, by four additional years.

Article 2

Article 2 stipulates the dates for implementation, which shall also be stipulated in the future provisions.

Article 3

This is the traditional reference for instruments to be adopted.

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION

Having regard to the Treaty establishing the European Community, and in particular Article 129a thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the Economic and Social Committee²,

Acting in conformity with the procedure provided for in Article 189b of the Treaty,

Whereas the programmes of the Community for a consumer protection and information policy³ have provided for the establishment of common principles for indicating prices;

Whereas these principles have been established by Council Directive 79/581/EEC of 19 June 1979⁴ as amended by Council Directive 88/315/EEC of 7 June 1988⁵ and Council Directive 88/314/EEC of 7 June 1988⁶ concerning the indication of prices of foodstuffs and non-food products;

Whereas these Directives have provided for the obligation to indicate the selling price of foodstuffs and non-food products;

OJ C XX, xx, xx, 1994, p. x.

² OJ C XX, xx, xx, 1994, p. x

OJ No C 92, 25.4.1975, p. 2 and OJ No C 133, 3.6.1981, p. 2

OJ No L 158, 26, 6, 1979, p. 19

OJ No L 142, 7. 6. 1988, p. 23

OJ No L 142, 7. 6. 1988, p. 19

Whereas these Directives have also provided for the obligation to indicate the unit price of products marketed in bulk and of certain pre-packaged products as well as a certain number of exemptions to this obligation, when products are marketed in ranges of pre-packaged quantities, when this unit-price indication does not provide meaningful information to the consumer or when it represents an excessive burden for certain small retail businesses;

Whereas however the provisions currently in force provides for a transitional period for implementing exemptions to the indication of the unit price for certain pre-packaged products; whereas this transitional period expires on 7 June 1995,

Whereas, however, application of these Directives has proven extremely complex, in the light of trade practices which vary from one Member State to another;

Whereas account should be taken of all the difficulties encountered in implementing the provisions of these Directives by 7 June 1995, whereas it is appropriate to propose new and simplified provisions;

Whereas, however, these new provisions cannot be adopted before June 1995;

Whereas it is appropriate to bring forward the period for transposition by Member States of the above new provisions;

Whereas it is therefore appropriate to extend by four years the transitional period currently provided for in Articles 10 of Directives 79/581/EEC as amended and 88/314/EEC;

HAVE ADOPTED THIS DIRECTIVE

Article 1

- 1. Article 10 of Council Directive 79/581/EEC of 19 June 1979, amended by Council Directive 88/315/EEC on consumer protection in the indication of the prices of foodstuffs is amended as follows:
 - in the first sentence, the words "a period of seven years" are replaced by "a period of eleven years".
- 2. Article 10 of Council Directive 88/314/EEC of 7 June 1988 on consumer protection in the indication of the prices of non-food products is amended as follows:
 - in the first sentence, the words "a period of seven years" are replaced by "a period of eleven years".

Article 2

- 1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 6 June 1995 at the latest. They shall forthwith inform the Commission thereof. The provisions adopted shall be applicable as of 7 June 1995.
- 2. When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such a reference at the time of their official publication. The procedure for such reference shall be adopted by the Member States.
- 3. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field governed by this Directive.

Article 3

This Directive is addressed to the Member States.

Done at , 1995

For the European Parliament

For the Council

The President

The President

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DOCUMENTS

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