

# COMMISSION OF THE EUROPEAN COMMUNITIES

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## FIRST REPORT ON THE INTEGRATION OF CONSUMER POLICY IN THE OTHER COMMON POLICIES

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**IN THE OTHER COMMON POLICIES**

**I. INTRODUCTION**

1. The Council Resolution of 15th December 1986 (1) on the integration of Consumer Policy in the other common policies came at a point where new senior administrative personnel changes were imminent in the Directorate General for the Environment, Consumer Protection and Nuclear Safety.  
Since then the new team has come into being and a comprehensive restructuring of resources has taken place.
2. However, with the absence of a reallocation of personnel or other resources there was necessarily a limitation on what could be attempted as to the implementation of the objective of the above mentioned Resolution.
3. The experience in trying to give effect to the Council's resolution has enabled us to reflect on and prepare a possible strategy which could work. Some of this paper has been devoted to sketching the way ahead.

## II. THE EXISTING COMMISSION SITUATION

4. The way in which the Commission prepares its proposals for directives, actions or projects has clearly established practice for interservice consultation and input.

Most intervention involves substantial need to consult and liaise with outside interests ranging from Member States to trade/business interests and consumer groups.

5. It is clear from this that there is a minimum structural requirement if the integration of consumer policy is to be really effective. It is equally clear that integration of policy at European level only, cannot achieve the desired effect in Europe or for European consumers. Integration to some extent needs to be paralleled in Member States and in addition to be possible between consumers and suppliers directly.

These issues are raised in the second part of this report.

Let us begin however by listing the efforts of some significance which have been undertaken.

## III. MAIN EFFORTS TO IMPACT ON COMMUNITY POLICY SINCE THE COUNCIL RESOLUTION

6. The Commission's white paper on the achievement of the internal market recognises the clear interaction existing between the internal market and the consumers policy, by means of several specific issues concerning consumers. The entry into force of the Single European Act in July 1st, 1987 and its precise reference to Commission's consumer oriented proposals through Article 100 A para. 3 reaffirmed and consolidated the need for a close interaction between the achievement of the internal market and consumers' interests.

The most important focus is on the Internal Market and the work in standards setting has been identified as the most urgent.

In June 1987 the first comprehensive forum was organised by the Commission between the standards setting bodies CEN/CENELEC and all the European Consumer Organizations and Representatives from Industry to consider how best to proceed with involving consumers in this process.

7. A Secretariat was operated to co-ordinate the introduction of consumer representation into the relevant standards committees of CEN/CENELEC.

The capacity and needs of this Secretariat have been reviewed, and as a result the Commission's subvention was increased by 40 % (approx.) to enable them to do a better job.

8. Arising from a decision by the Health Council in May '87 calling for consumer involvement in the informational requirements with regard to Pharmaceutical products. A joint committee of industry and consumers has been established to progress this work.

The Consumer Consultative Committee considered proposals on the regulation of aspects of pharmaceutical supply and, after a specific working group had prepared a report, the CCC adopted a clear opinion on the need of transparency of pharmaceutical prices and other related matters. This opinion will be of value in shaping eventual proposals in this sector.

9. In order to lay a base for the future assessment of the impact of a variety of consumer measures, a series of 15 price studies across the whole Community have been commenced for a variety of goods.

This should be extended to include services in the coming year.

This base of information is essential if the Commission is to be able to assess the real impact of policy on the internal market, on competition and on choice.

10. An effort has been made to take into account the consumer dimension in the field of competition guidelines, particularly, franchising, automobile and spare parts distribution and know-how licensing.

11. This year a study has been commissioned on the consumer impact of the application of the regulation on the selective distribution of motor cars in Member States, to test whether there has been any improvement in the capacity of consumers to purchase automobiles across frontiers and to monitor the effect of the regulation on price differences between Member States for new cars.
12. Another study has been commissioned on the impact of the regulation of selective distribution for automobile spare parts. Its purpose is the same as that in para. 16.
13. Participation in the development of the integrated Research Programme, decided by the Council, included a section being included which is devoted to activities designed to improve consumer safety research activities.
14. In the field of the agricultural policy apart from the continuation of coordination and concertation on consumer interests, the Commission has undertaken in particular the following initiatives: Studies designed to identify consumer concerns and demands for quality food products have also been commissioned in order to understand how the consumer thinks of quality and the likelihood of his willingness to pay for higher quality.
15. In the drafting Committee for the development of the Community rural policy the consumers' view point has been specifically presented.
16. The consumers view has also been taken into account with regard to health and safety aspects of Social Policy in relation to tobacco, cancer and dangerous substances.

#### IV. HOW CONSUMER AFFAIRS ARE MANAGED IN MEMBER STATES

17. Consumer involvement in the working of Member State's economies varies substantially. In some Northern European Member States consumer organisations are consulted by government on some of the issues in which they have an obvious interest; in many others, the weakness of representative organisations makes it difficult to achieve this.

In many Member States even where some consumer organisations exist there is concern that the groups are very narrowly based and not representative of the broad demand reality of the market.

This situation in Member States poses some difficulties for the Community in seeking to secure a balanced interaction between the supply and demand sides of the internal market which is at the heart of the integration process.

#### V. TOWARDS AN IMPROVED INTEGRATION

18. By intensifying the intercommunication process, begun this year, the Commission should be able to achieve more impact by identifying opportunities and difficulties in ample time. There is however a real resource need to enable this to be affected, particularly in the availability of technical expertise.

19. The Commission will seek to foster dialogue between sectors of business and industry and consumers.

20. The Commission will seek to assist Member States to achieve better consumer representation and accordingly integration at various levels.