



# INFO-C

INFORMATION FROM DG XXIV 'CONSUMER POLICY' OF THE EUROPEAN COMMISSION - VOL. IV, No 4 - 1995

**INFO-C** now boasts 40 million - potential - readers! On 10 July it made its dazzling debut on Internet's information highway, the World Wide Web. Thanks to the enthusiasm and persistence of the head of DG XXIV's computer unit and the undaunted efficiency of his troops, we are no longer dependent on paper support. So if you are on the Net you are cordially invited to read us in French, English or German by entering:

<http://www.cec.lu/en/comm/spc/infoc.html>.

This time round **INFO-C** turns the spotlight on Spain. Not because Spain has the Presidency of the Council in the latter half of 1995, but because of the coveted First Prize in the European Young Consumer Competition, which on 30 May was awarded to the pupils of Blasco Ibañez College in Valencia following a very tough contest. Is the Competition's growing popularity evidence that an increasing number of young Europeans are keen to become informed - and hence responsible - adult consumers? 'Yes!' says our Commissioner Emma Bonino, who in defending consumer rights has put consumer information and training centre-stage.

On a more institutional note, the highlights of European consumer affairs over the last two months are two Commission decisions. One concerns the replacement of the Consumers' Consultative Council (CCC) by a body that will function differently; the other concerns the Commission's decision to limit to seven years (instead of the much-dreaded ten) the extension of the exclusive distribution agreements for

motor vehicles in the European Union. For more details, see the 'Consumer Protection' section.

Naturally, we have not glossed over the annual meeting of producers of television programmes on consumer rights at Maastricht, the Molitor group proposals concerning food hygiene, the consequences of transposing the directive on unfair terms into United Kingdom law, Consumers International's appeal for greater consumer participation in laying down safety standards for foodstuffs, the dangers posed by vitamin C supplements - to mention but some of the topics discussed in this issue.

## 40 Million!

### INFO-C

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# Distribution of automobiles: a victory for consumers

More than six months have passed since the December 1994 issue of **INFO-C** mentioned the **Commission's** proposal for a new regulation on the exclusive distribution of motor vehicles<sup>1</sup>. Well, of course, the *really* big victory for consumers would be the abolition of the practice of exclusive distribution altogether... Let's not act like spoilt children, however, but like sensible adults, and pay homage to all those - including our Commissioner Emma Bonino and all the consumer organizations - who have fought hard to obtain this very significant result: the Commission has finally decided that Regulation (EEC) 123/85, which authorizes exclusive distribution, **will be extended for 7 years instead of the 10 originally envisaged**.

BEUC's positive reaction to the decision was particularly representative of the reactions of all consumer organizations: it hailed the decision as 'the beginning of the end' for

exclusive car distribution. Nonetheless, BEUC also called on the Commission to make sure that this time the new Regulation is more rigorously enforced - if need be through the automatic withdrawal of the authorization from parties who abuse it. In addition, BEUC recommended the establishment of a Monitoring Committee composed of all parties concerned, including consumer representatives, to help the Commission monitor the application of the new Regulation.

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<sup>1</sup> See article in the 'Consumer protection' section of that issue.

# Commission broadens methods of consulting consumers

On 13 June the Commission decided to abolish the Consumer Consultative Council (CCC) and institute a Consumer Committee. Indeed, although the CCC did improve consumer representation at European level, it was handicapped by its complex and unwieldy procedures. Therefore, the Commission decided to set up a structure which would be more flexible, more in touch with national realities, less costly<sup>1</sup> and capable of responding more rapidly to the requirements of a dynamic European consumer policy.

The Committee will consist of 20 members, of which 15 nationals (one for each Member State) and five Europeans (one for each of the five European consumer organizations - COFACE, EUROCOOP, BEUC, ETUC, IEIC), who should be appointed - for two years, renewable once - within a few months.

Its main task will be to advise the Commission on how to accommodate consumers' interests in formulating the various Community policies. The Commission will chair it and convene it in plenary formation, for one day at a time, to act

as a sounding-board for a particular issue or policy, or for a more general discussion.

Finally, it should be noted that it will be but one of a wide range of options for consulting consumers, which will include ad hoc meetings, conferences, forums, commissioning experts, consulting individual consumer organizations, whether national or European, etc.

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<sup>1</sup> The estimated cost of managing the CCC in 1995 was 450,000 ecu, while the projected cost of managing the Consumer Committee is 100,000 ecu per year.



## Emma Bonino addresses the Economic and Social Committee

On 2 May, Emma Bonino made a statement on Community priorities in the area of consumer protection before **ECOSOC's section for protection of the environment, public health and consumer affairs.**

She started by saying that although the symbolic importance of the replacement of the Consumer Policy Service by a 'real' Directorate General should not be underestimated, it was clear that DG XXIV was still underfunded and understaffed. Therefore, all-out efforts should be made in preparation of the 1996 Inter-Governmental Conference (IGC), in order for consumer policy to be institutionally reinforced at European level.

Emma Bonino also summed up in three words the philosophy underlying her actions in the years to come (especially the years covered by the 1996-1998 triennial plan which should be presented shortly): **legislate - transpose - inform.** This means that there is still great need for Community legislation on certain subjects; that all legislation already adopted, or to be adopted in the future, must be transposed correctly, completely and in due time by the Member States; and that consumers must be informed of this legislation so that they can fight for their rights.

Concerning the first point, she said that the Commission is contemplating proposals for legislation in new fields, such as mortgage credit, charge cards, home banking, overindebtedness, public services, etc.

Concerning the second, she vowed to be inflexible when it comes to open infraction procedures against delinquent Member States.

Concerning the third, she praised the *European Consumer Guide to the Single Market* presented by her predecessor Christiane Scrivener before she left the Commission, and mentioned the possibility of putting all the linguistic versions, as well as the text of the Directives referred to in it, on Internet. Finally, she expressed her satisfaction as regards the introduction by an Italian university of courses on consumer issues in its curriculum, but added that in the matter of education, the Commission can only make recommendations to the Member States.

At the end, she thanked all the participants who had praised her for being such an enthusiastic proponent of consumer rights but warned them against inflated optimism. The way to consumer paradise is a long, bumpy one indeed!

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## European finals of the 1995 European Young Consumer Competition - Spain takes the laurels

On 30 May 1995 - in a lively atmosphere and to the applause of the other competitors, the jury and the many members of the public - Emma Bonino personally awarded the First Prize for the **1995 European Young Consumer Competition** to the team from the Blasco Ibañez School in Valencia, Spain.

The subject of the competition - the second of its kind - was 'Young consumers and advertising - how to promote a healthy foodstuff through an advertising message'. The participants - 505 teams of young people aged 12 to 14 (involving a total of 25.000 pupils) from schools all over the European Union - had to take a critical look at existing advertising, study foodstuffs and nutrition problems, and finally prepare an advertising message for a healthy foodstuff. On 30 May the 12 winning teams from the national finals came to Brussels to present their projects.

Thus the First Prize crowned the efforts of the Spanish team, who had chosen to promote fruit consumption by young people. The Second Prize went to the Portuguese schoolchildren from Fernao do Po College in Bombarral, who lauded the merits of the Rocha pear, while the Third Prize went to the Italian team from S.M.S. Adrara S. Martino College, who sung the praises of polenta. And for the first time a young jury consisting of pupils from the European schools in Brussels selected its favourite project - this Young Jury Prize went to the UK team from the Scottish Ardrossan Academy, who also plugged local produce.

At the prize-giving ceremony Emma Bonino said her two main concerns were education of young consumers and solidarity of consumers from all over Europe. The competition gave young people a chance to work on a subject which unfortunately was not taught as such in schools, namely consumer affairs. The competition had enabled them to take a hard look at advertising mechanisms - an essential cognitive skill in a world where the citizen-consumer was increasingly being bombarded with ever more sophisticated advertising messages. Children were choice targets in two respects - because they were consumers themselves and because they could prevail on their parents to consume (in marketing language, they are 'prescribers').

How then, asked Emma Bonino, can we protect consumers who are all the more wooed because they are particularly vulnerable? It was pointless to rely on directives alone, except in very restricted cases, because directives - since they could not cover all areas and eventualities - could never offer total protection. But education on sales and purchasing mechanisms, through such projects as the competition, would help young people to build up defences which they would maintain throughout their life as consumers.

Young consumers who are interested (including young consumers from the new Member States) should note that the 1996 Competition, which will be dealing with the topic of the impact of consumer behaviour on the environment, is already being prepared. Further information will be provided in a future issue of **INFO-C**.

Emma Bonino ...



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... AWARDS THE 1ST PRIZE TO THE SPANISH TEAM;



... JOINS IN THE STANDING OVATION TO ALL PARTICIPANTS.

# More consumer involvement needed in setting food safety standards

A survey recently conducted by Sharon Dee for **Consumers International**, shows that although the safety of much of the food we eat is regulated by standards and guidelines agreed to by governments, the general public has very little say in how those standards are developed.

Indeed, consumer groups feel they have very limited input into decisions made by the Codex Alimentarius<sup>1</sup> Commission, the body of 146 countries responsible for establishing standards in areas such as food hygiene, food additives, pesticides and veterinary drugs.

The survey was done in anticipation of the biannual Codex Commission meeting scheduled for 3-8 July in Rome, which was due to attract government representatives from around the world.

Consumers International received responses from 31 percent, or 62 consumer organizations, to its survey, which found that:

- 80 percent of respondents worked on food issues, but more than half of those said their governments did not regularly invite them to consultations about Codex;
- of those whose governments do invite them to participate in national meetings, some 42 percent said they did not receive papers in advance;
- one in three of those participating in such consultations said that although representatives from industry and government were present, there were no other public interest groups present;
- only 35 percent of respondents said their governments sent them reports or minutes of what had been discussed at the International Codex meetings - and this varied widely by

region. Fifty percent of respondents in developed countries said they received such reports, while none of the Asia Pacific organizations and only a third of the Latin America ones received them.

'The responses to our survey have shown that many consumer organizations feel isolated from the Codex decision making process' Consumers International noted in its report on the survey findings.

Based on its survey, Consumers International has developed a list of recommendations, both to improve consumer representation in setting standards for food safety at the national and international level, and to increase Codex's efficiency. It included the recommendation that countries which do not hold national consultations on Codex should do so as regularly as possible. In addition, at its July meeting, Codex should reconsider its previous position and allow Consumers International's representatives to participate as observers at Codex Executive Committee meetings.

'Without input from consumer organizations, food standards are likely to reflect the vested interests of industry and not the health and safety interests of the public', said Sharon Dee.

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<sup>1</sup> 'Food code', in Latin, as everybody should know.

# Molitor Group Report

In our December 1994 issue<sup>1</sup> we mentioned the work begun in late September 1994 by the independent group of experts headed by **Bernhard Molitor**, asked by the Commission to draw up proposals for simplifying law and administration in the European Union, with a view to improving competitiveness and encouraging job creation. We concluded our article with a call for consumer vigilance, arguing that it might be very tempting to sacrifice certain laws that protect consumers on the altar of these objectives.

On 22 June 1995 the group presented its report.

Bernhard Molitor said that his group's work 'clearly shows that the volume, complexity and rigidity of much of Community law are major obstacles to economic growth, competitiveness and job creation in the European Union'. On the basis of consultations with organizations representing employers, trade unions and consumers, the group put forward a simplification programme comprising 120 concrete proposals in six domains: standards governing machinery, food hygiene, employment and social policy, the environment, small and medium-sized enterprises and 'other areas of interest'. Naturally we cannot scrutinize all the 120 proposals here, but we would like to comment on some of those mooted in the 'Food hygiene' chapter, which may directly affect consumers.

The group first notes that there is a potential clash between the two objectives of Community food hygiene law: protection of public and consumer health *and* removal of barriers to trade. The report goes on to say that, according to criticism voiced by the agri-foodstuffs industry, this ambiguity has made the law so complex that competitiveness and employment in this important sector<sup>2</sup> suffer in consequence. The authors propose six strands of action.

## 1. HARMONIZATION AND SIMPLIFICATION OF FOOD HYGIENE RULES

*The problems are as follows:*

- lack of consistency between the vertical directives (i.e. those governing product categories) and the horizontal directives (i.e. governing all products);
- lack of consistency between the vertical directives themselves;
- lack of consistency between national laws (for example the term 'meat' is not defined identically in all the Member States!);

- the obsolescence of certain vertical directives, which were designed neither for the most 'modern' products (i.e. composite products where the manufacturer must bear in mind several vertical directives concerning, for example, fish, meat, eggs, dairy produce, vegetables - with the result that the rules may be incompatible) nor for the most 'modern' distribution chains in which different categories of products are handled together.

*As a remedy the group proposes:*

- creation of a single set of hygiene rules, comprising specific provisions relating to product hygiene (if they are genuinely necessary) in its annexes. This would involve revising and updating horizontal directive 93/43/EEC;
- reexamination - once the single set of hygiene rules has been created - of all the specific rules governing individual products, with a view to clarity and the removal of all ambiguities concerning definitions, terminology, requirements and procedures.

## 2. ADAPTATION OF THE LEGISLATIVE PROVISIONS

*The problems are as follows:*

- the tradition of specific vertical legislation of a clearly mandatory character imposes disproportionate costs on certain sectors of the agri-foodstuffs industry, notably the meat sector, and particularly SMEs. The report mentions several examples, in particular Directive 91/597/EEC amending Directive 64/433/EEC, which mandates freezing of fresh meat within the abattoirs although, according to the group, it would be enough to authorise freezing during transport, which would cost small abattoirs less;
- marking of foodstuffs (health mark, identification of place of production, etc.) and the associated transport documents are a source of difficulties mainly because of the plethora of applicable rules, which differ from country to country and even within a given country; sometimes it is impossible to identify clearly the categories of products which must bear these marks. These rules are a real nuisance for distribution centres that have to handle products from different sources.

*As a remedy the group proposes:*

- revising the vertical directives product by product so as to keep compliance costs within bounds, notably for SMEs;
- relaxation of the rules concerning health marks and transport documents.

### 3. RISK ANALYSIS

*The problems are as follows:*

- the rules apply to miscellaneous categories of different products, whereas the risks are the same;
- differences exist between the definition of the HACCP system (hazard analysis and critical control points system) referred to in Article 3 of Directive 93/43/EEC and the wording of certain vertical directives.

*As a remedy, the group proposes:*

- the directives' provisions should be based on a consistent risk assessment for all products
- the common principles of the HACCP system should be used to this end, with all food hygiene legislation being based on a consideration of the risks involved.

### 4. HARMONIZATION, APPLICATION AND ENFORCEMENT OF THE RULES

*The problems are as follows:*

- in order to accommodate national susceptibilities in the highly sensitive domain of foodstuffs', numerous national derogations have been granted from the provisions of the food hygiene directives. They sometimes result in distortions to competition;
- the national authorities may grant temporary derogations governing certain technical requirements to firms that do not yet comply with all the provisions of certain directives. These derogations, which must be communicated to the Commission, concern 6 000 firms in the meat sector alone. Hence firms which have already invested in compliance lose out.
- public health rules governing products from third countries are now identical throughout the European Union. That's the theory. But importers tend to flock to certain ports where inspections are more easy-going than elsewhere'. The other ports suffer in consequence, as does the health and safety of European consumers.

*By way of remedy the group proposes* that legislation on foodstuffs hygiene be applied in a standard manner in all the Member States under the supervision of a body of Community inspectors.

### 5. CHOICE OF LEGAL INSTRUMENTS

*The problems are as follows:*

- bearing in mind the political sensitivity of public health issues, Member States have generally preferred directives to regulations;
- in the 'new approach' framework, horizontal directive 93/43/EEC lays down the essential requirements concerning product safety but leaves Member States free to adopt more stringent criteria (while authorising international trade in all products that respect the minimum requirements).

In both cases (directives and 'new approach'), Member States are completely free to introduce additional national rules with the result that the law has become excessively complex.

*As a remedy the group proposes* that in addressing major problems the Union apply rules that guarantee an identical level of protection everywhere. For minor problems it proposes the use of other instruments such as subsidiarity and mutual recognition (which must go in tandem if barriers to trade are to be avoided) and codes of practice drafted by the commercial organizations concerned.

### 6. CLOSER HARMONIZATION WITH INTERNATIONALLY RECOGNISED PRACTICES

*The problem* is that food hygiene standards in Europe are sometimes quite different to those applied in the rest of the world. This adversely affects the European agri-foodstuffs industry's export trade.

*By way of remedy the group proposes* that European legislation on foodstuffs hygiene be based on the standards of the Codex Alimentarius - the basis for free trade in the framework of the World Trade Organisation (WTO) - whenever these standards are considered satisfactory.

The Commission presented the report's conclusions at the European summit in Cannes and will present proposals based on these conclusions at the Madrid summit in December.

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On the same day **BEUC** said it would comment in detail on this report once it had time to scrutinize it. But it also communicated its initial reactions.

On the upside BEUC welcomed in particular the group's proposals for harmonising food hygiene regulations at European level, the emphasis on enforcement of these rules, the imposition of fines on Member States that fail to comply with Court of Justice judgments, and consultation of consumers in drawing up the standards.

But BEUC castigated the report for its excessive deference to subsidiarity and to the wishes of industry. As regards subsidiarity, BEUC director Jim Murray recalled that the Maastricht Treaty had enshrined consumer policy as a policy to be pursued at European level. On the second point, he said that decisions relating to Community legislation should be taken not only to keep industry happy, but also with consumer rights in mind.

BEUC is worried about the uses this report may be put in the future and the conclusions the Commission will draw from it for the Madrid summit. Hence it urges the Commission to organised wide-ranging consultations with all circles involved, which, according to BEUC - as well as the European Parliament and other organizations - was not the case with the Molitor Group.

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<sup>1</sup> Article entitled 'Molitor group: what implications for consumers?' in the 'Euro-Infos' section.

<sup>2</sup> 1 million jobs, 170 billion ecus turnover in the European Union.

<sup>3</sup> Let's take a look at one example of the deification of the ingestive function. Readers may recall the 1992 Franco-European 'raw milk cheese' war. Acting on unfounded rumours - widely publicised on flyers disseminated by the loudmouthed owner of a Parisian dairy shop - to the effect that the European Commission intended to ban the manufacture of these cheeses, the French people, for once united, almost went so far as to clamour for nuclear testing, not on Mururoa, but on the Belgian capital, to prevent 'Brussels' from going ahead with this despicable violation on its national integrity.

<sup>4</sup> Unfortunately the report does not mention any names. But in the circles concerned it should not be difficult to obtain the list.

## The consumption of milk and dairy products should be encouraged by the Commission

In a joint press release sent out last May, **COFACE**, **EURO C** and **EURO COOP** expressed their approval of the use of Commission funds to organize the distribution of milk at school coupled with information and educational campaigns encouraging young people to adopt healthy nutritional habits. In the same way, they deem the distribution of other agricultural products free of charge to socially deprived persons equally commendable.

That is why they find it all the more regrettable that in 1994/95 the Commission has not been able to use the amount of 10 million ecu envisaged for such initiatives. They hope that this will not happen again with the 1995/96 budget since this type of action should be continuous in order to be effective. Noting that consumers make a significant contribution, also as taxpayers, to the CAP, they also demand that consumer organizations be consulted as to how the budget for such initiatives should be spent.

Finally, they insist that the use of public funds towards supporting actions and programmes for the distribution of agricultural products should only be granted when such programmes serve to promote human health and social purposes. Since the Commission is not a trader of agricultural surpluses, and since it should not be a substitute for initiatives of enterprises either, the use of such funds to, for instance, support advertising against vegetable fats, as was the case in a notorious campaign recently carried out by the 'Butter Council', should be prohibited.

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## Real chocolate in jeopardy!

Directive 73/241/EEC provides that chocolate must be produced exclusively from cocoa butter. However, it has not yet been transposed in the United Kingdom, Ireland, Denmark, Sweden and Portugal and has only partly been transposed in Finland.

There is a possibility that the Commission, in revising this Directive, may propose that up to 5% of other vegetable fats be authorised in future.

**EURO COOP** considers that any product described as 'chocolate' must contain no vegetable fat other than cocoa butter, because otherwise the following problems would arise:

1. Consumers in countries which have transposed the Directive would be faced with an information and labelling problem. One and the same word 'chocolate' would continue to be used for a product that was in fact different.
2. The new product would be of inferior quality.
3. Monitoring of the other fats used would be difficult.

4. Distortions to competition resulting from the sale of two different products (chocolate obtained from pure cocoa and chocolate obtained from cocoa *and* other vegetable fats) under the same name would militate against manufacturers who wish to remain faithful to the old recipe, but who would lose clients to producers of cheaper products that are *apparently* identical. And the new composition would very quickly eliminate the old one.

Hence EURO COOP is concerned that the Commission may adopt this draft amendment and urges that, on the contrary, the Commission propose that the existing Directive be extended to the European Union in its entirety.

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## Vitamin C: the best is the enemy of the good

In the 16 May 1995 issue of its magazine *De Konsument*, the **Union Luxembourgeoise des Consommateurs** published an excellent dossier on vitamin C.

We are told how this substance was discovered, what its uses are, about the foodstuffs in which it is to be found (for example kiwis, oranges, papayas, spinach and all types of cabbage are very rich in vitamin C; while grapes, bananas and cucumbers contain very little), and how to protect it when preserving, preparing and cooking our food.

But the article also contains an important warning: vitamin C supplements are at best useless and at worst harmful. Today there is no end of vitamin C-enriched painkillers, cough mixtures and other pastilles for sore throats. However, a non-smoking adult needs a daily dose of only 60 mg, for which

one kiwi should normally suffice (for smokers and pregnant women, a kiwi and an orange are more than enough). Hence patients taking a standard three cachets per day of vitamin C-enriched aspirin (for example 'UPSA-C') receive **50 times** the recommended daily dose! This is no laughing matter: the paragraph entitled 'Can too much vitamin C be harmful?' tells us that excessive consumption of vitamin C may trigger gastro-intestinal disorders, vomiting, abdominal cramps, sleeplessness, excitation and an irregular pulse. Occasionally, but more ominously, it can cause respiratory problems and kidney damage, counteract the effect of certain drugs such as anti-coagulants and falsify certain biological tests, e.g. for detecting blood sugar levels or blood in urine. Enough is enough!

So consumers should take a hard look at this marketing ploy of embellishing a common or garden packet of aspirin with a photo of a juicy orange sliced in two. Indeed, no authoritative medical study has ever demonstrated the effectiveness of vitamin C in treating colds or influenza.

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## GMO foods<sup>1</sup> must be labelled, says BEUC

BEUC has criticised the report of the Group of Advisers on the Ethical Aspects of Biotechnology on labelling of foodstuffs produced using modern biotechnology for being unclear, one-sided and for failing to take account of the real needs of consumers. In a letter to Permanent Representatives in advance of the planned discussion on the novel foods Regulation during the 6 June Internal Market Council, BEUC called for the interests of consumers to be given priority when policy decisions are being taken on the labelling of these foods.

'The Group has recommended that foods only need to be labelled when there is a 'substantial change' in their composition or other characteristics,' explained Jim Murray, Director of BEUC. 'However, consumers also have the right to information about processing methods which they consider sensitive, even if these processes do not result in substantial changes to the product. Foodstuffs derived from modern biotechnology must therefore be clearly labelled. To restrict the provision of this information would be an infringement of the rights of consumers. Furthermore, the Group's failure to provide clear guidelines as to what it believes constitutes a 'substantial change', has meant that the opinion is being manipulated by vested interests to argue against labelling of many food products derived from modern biotechnology.'

In its letter to Permanent Representatives, BEUC has called on Member States to adopt rules which will require

compulsory and clear labelling for foodstuffs derived from the use of modern biotechnology. BEUC warns Member States that if they fail to do so, they will be voting in favour of intentionally withholding from consumers information to which they are rightly entitled. 'It is true that there is often scepticism amongst consumers about new food processes,' acknowledged Murray. 'However, this scepticism in no way justifies the calculated withholding of important information from consumers. The only acceptable way for industry and public authorities to deal with this scepticism is to confront it and explain fully and openly how a new product has been developed and the advantages which it brings to consumers.'

A blocking minority of five Member States (Denmark, Sweden, Austria, Germany and Greece) managed to repel the adoption of the Directive.

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<sup>1</sup> Foods based on genetically modified organisms, such as, for instance, tomatoes made bigger and tastier.

## Will an apple a day continue to keep the doctor away?

The increasingly intensive use of pesticides in farming has now risen to such a pitch that both the environment and human health are equally threatened, the latter particularly through the residues found in food (fruit, vegetables, milk, etc.) and drinking water<sup>1</sup>. We have come to a point where we are wary of listening to dietary experts who encourage us to eat a daily diet high in fresh fruit and vegetables.

Indeed, washing fresh fruit and vegetables does not even remove the danger, because pesticides - many of which are now thought to be carcinogenic - can penetrate deep down into the plant or fruit.

For **Euro C**, the Consumers' Unit of the European Trade Union Confederation, the following measures should be taken to ensure the protection of European consumers:

- scaling down significantly the use of pesticides in farming and promoting less intensive farming techniques which are less damaging to human health and the environment;
- ensuring greater transparency in the making of decisions concerning the marketing, continued use and withdrawal of pesticides (consumers should be given a say in the process);
- drawing up an official list of active ingredients authorized in the European Union;

- outlawing the active ingredients classified by the World Health Organization (WHO) as extremely dangerous, as well as those internationally recognized as carcinogenic;
- keeping pesticide residues out of water intended for human consumption and tap water;
- imposing at European Union level a total residue level for food (as already exists for water) which takes account of total exposure;
- informing consumers of the quantities of residues present in the food they buy and the health risks they are running.

Finally, Euro C calls for an annual report to be produced and published on the findings of Member States' checks on pesticide residue levels in all plant products, including fresh fruit and vegetables.

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<sup>1</sup> See article entitled 'Is Austrian drinking water really clean?' in the 'Countries' section.

## European energy policy: don't forget consumers!

On 13 May last, just before the 'Energy' Council of 1 June, **Euro-C** notified the French Presidency of European consumers' concerns about the liberalization of the energy sector in Europe.

Euro C argued that the future system should be based on public service obligations and should offer consumers a number of essential guarantees:

- presence of the electricity network throughout the territory;
- there should be a single tariff for everyone, no matter where they live, on the basis of the 'single unitary tariff' system;

- tariffs should be calculated on the basis of the cost of the service and not the client's consumption (because if prices were to be determined exclusively by the law of supply and demand, domestic consumers would naturally be the big losers in an internal electricity market);
- reliability of long-term supply, on the basis of a quality service that respects the environment and costs as little as possible.

In conclusion Euro-C said that the internal market in electricity should also benefit small consumers.

After the Council, Euro C noted that by and large the ministers had confirmed that one of the main objectives of

the proposal for a Directive on the internal market in electricity<sup>1</sup> was to intensify competition for the benefit of all consumers and that to this end the European systems had to phase in market mechanisms gradually, notably taking into account the situation of the independent producers, while simultaneously continuing to fulfil their public service obligations.

The Council is expected to adopt a common position on the proposal for a Directive at the next 'Energy' Council slated for 14 December.

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<sup>1</sup> PRES/159/95 of 1 June 1995.

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## The sugar market hits the European taxpayer and consumer

The sugar market harms taxpayers and consumers - such is the opinion of **EURO COOP**, which on 3 May roundly condemned the 'Agriculture' Council's extension until 2001 of the common organization of the sugar market, without introducing any real changes.

EURO COOP again castigated the main failings of this organization: national production quotas for sugar beet (which violates the principles of the single market), prices in excess of the market rate (so the consumer has to foot the bill), and overproduction of approximately 4.5 million tonnes each year (which costs taxpayers a fortune - after all, it is they who finance both the export subsidies and the storage costs. But

the logic is that if prices are to remain high, one must above all avoid the European market's being flooded by these millions of tonnes whose production has just been encouraged...).

EURO COOP considers that by perpetuating this system the Council has furnished yet further proof of its inability to introduce real reforms in the agricultural sector.

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## Annual meeting of TV producers of consumer programmes and conference on information on consumer rights via TV

Following a request from the University of Limburg at Maastricht, the annual meeting of the group of television producers of consumer information programmes took place on 8 June to coincide with the organization on 8-9 June of a parallel conference on the more general theme of information on consumer rights via television.

The meeting of TV producers took place on the morning of 8 June, and followed its traditional format whereby producers gave a short exposé of their work together with an example of a recent programme which they had made. Of

the more interesting items to emerge from the programme makers' presentations were a discussion on the use of hidden cameras to expose unscrupulous business practices aimed at defrauding consumers, and the fact that there appear to be fewer actual consumer organizations involved directly in the making of programmes, a point which was also considered as part of the following conference.

The conference itself began in the afternoon, with the opening address and welcome given by G. Rijken in his capacity as director of the Iens Verburgh Institute for

Consumer Law, who hosted the conference. Concha Martinez Ezquerro spoke on behalf of Kenneth Roberts (head of Unit 5 'Consumer Information and Training' at DG XXIV - who arrived for the following day's sessions) and introduced herself to the participants as the official dealing with this dossier within DG XXIV.

**Session I** of the conference, which was chaired by G. Rijken, involved the presentation by A. Bundschuh of the Düsseldorf-based European Institute for the Media of the report on the current state of consumer information broadcasting which was prepared in 1994. Although several of the presenters had been treated to a presentation of the draft report at the meeting in Toledo in June 1994<sup>1</sup>, the expanded scope of the conference, with representatives of consumer organizations, lawyers, and television producers, permitted the findings of the report to be presented to a more general audience. Producers later expressed a desire that the reports' findings be subject to more regular updating, and include some monitoring of the evolution of certain programmes being produced.

**Session II**, also chaired by G. Rijken, allowed several producers and representatives of consumer organizations to present their views and experience on questions relating to how consumer programmes are actually made, including questions of editorial responsibility, the freedom of those journalists involved in the making of documentary-type programming, and the vexed question of the links with sponsorship, advertising revenue, and the influence which all of these factors potentially attracts. In most cases, however, producers were able to demonstrate a commitment on the part of their own TV stations to programming which was unbiased, objective, and shown to be providing a valuable service to consumers. One of the more interesting formats for a consumer programme, currently used by a Norwegian production company, is to allow the consumer to, in effect, present the programme as the camera follows him while he is making his complaint.

Main speakers here were A. Bartolini (RAI), A. Juritzen (Norsk TV), D. de Vaan (Consumentenbond), I. Hannover (ZDF), M. Plege Montigny (INC-TV), C. Doglio (Euronews), and M. Ketterer (VZ. Baden-W.).

**Session III**, which took place on the morning of 9 June and was chaired by J. Rinkes of the University of Maastricht, examined the potential for links between consumer bodies and programme makers. Producers in certain countries do actively involve the local or national consumer organization

from time to time, although it appears to be more frequent for programmes to have their own consumer law expert to pronounce on individual cases, who is often likely to take the side of the consumer in the event of a dispute. In certain countries, most notably France, consumer organizations make their own programme, which is guaranteed air time on the state television networks, but which mainly consists of short clips of information, given the limited amount of time allotted to it. All participants expressed their desire for greater collaboration, especially where none currently exists. Main speakers here were H. O. Rahilly (BBC 'Watchdog'), L. Bihl (lawyer), G. Rijken, G. Howells and representatives from Euronews and NDR/ARD.

**Session IV**, also chaired by J. Rinkes, examined the European dimension to this theme, and the questions posed to participants were designed to act as a stimulus for a frank exchange of views. Not surprisingly, most speakers felt that the situation with regard to consumer information on television was not such as to necessitate direct intervention at Community level, although representatives of consumer organizations who are currently having difficulty in convincing television stations of the merits of this type of broadcasting indicated that they would welcome any approach which could aid them in their situation. It was warned that regulation in this area would be devoid of practical effect, given the large disparity of types of programmes being produced, in addition to the different licensing systems, public as opposed to private television, and so on. Furthermore, it should be noted that in countries where television stations do have an obligation to provide some time for consumer information, these requirements have been largely ignored.

Main speakers here were A. Morin (French Institut National de la Consommation), C. Kerstiëns (BEUC), M. Goyens (Centre de Droit de la Consommation at University of Louvain) and A. Lubrano (RAI).

The **final session** of the conference was opened by K. Roberts. Outlining the most recent developments within the Commission, he indicated that he would be happy to continue to try to work with producers of consumer programmes, particularly as such collaboration had proved successful in the past. Speaking of some of the ongoing actions, he explained that the Commission would later this year engage in an advertising campaign using radio 'spots' aimed at increasing consumer awareness of rights derived from European law. As the Commission was examining the

possibility of extending this into television in years to come, he requested the support of current producers of TV programmes in the planning phase of this action should it be necessary. He also outlined that the actions undertaken by DG XXIV in working with the producers, such as direct financial support to programme makers, the holding of an annual meeting, etc., would continue if all those involved wished, although the operation of an information exchange by the Commission could only work if producers were prepared to participate fully.

The panel discussion which followed, chaired by J. Rinkes, focused on the points debated during the conference, and in particular the difficulties posed by journalists in the explanation of concrete legal rights to consumers in the absence of a lawyer. Other areas raised were the problems in getting state organizations and governments to take seriously

the requirement that they actively support these types of programmes. Individual speakers recounted specific cases where consumers whose rights had been infringed could not get access to redress unless the television station supported them and threatened to expose the fraudulent or illegal practice. Several lawyers complained that those making these TV programmes are often themselves not aware of what rights consumers benefit from.

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<sup>1</sup> See article 'Consumer programmes on European TV' in the 'Euro-Infos' section of the October 1994 issue of **INFO-C**.

## Cats in Europe - not quite railways without frontiers!

In its issue of 14 June 1995 the venerable French satirical weekly *Le Canard enchaîné* pinpointed yet another barrier to transport in Europe. In a nutshell, here is what they have dug up.

If you want to travel by train in France with your cat, you naturally have to put your little pet in a box - but you must also be in possession of a 'cat ticket'.

Let's take a passenger residing, say, in Brussels, who in some mysterious way has got wind of this esoteric practice. Naturally, he will try to purchase the cat ticket at his departure station so that he can produce it on arrival in France. No way! The purely Franco-French nature of this bizarre rule means that cat tickets are for sale only at French stations. Therefore, the only way our passenger can get himself out of this mess is to ask French friends to buy a cat ticket at a French station and mail it to him!

He will then discover that a cat ticket costs 29 FF and is marked... 'little dog'.

<sup>1</sup> **INFO-C** has done its own survey. Asked 'Does a cat need a ticket to travel on French trains?', six employees of the international service of the Belgian railways came up with six different answers.

## UNITED KINGDOM • UNFAIR TERMS IN CONSUMER CONTRACTS - NEW POWERS COME INTO EFFECT

Since 1 July 1995, the **Director General of Fair Trading** has had new powers to prevent the use of unfair standard terms in consumer contracts. He can now seek undertakings from traders or trade associations to cease using or recommending unfair terms and, where appropriate, bring legal proceedings for an injunction or an order to restrain their use.

The new powers arise from the Unfair Terms in Consumer Contracts Regulations (which apply to contracts concluded on or after 1 July), and will apply to terms in contracts drawn up for general use. Terms which have been individually negotiated, or which define the main subject matter and price of the goods or services, are not covered - provided that they are in plain intelligible language. Neither can the Regulations be used to argue that the contract does not provide value for money. An unfair contract term is widely defined as one which is significantly weighted against the consumer, and which is used by the trader in a way that violates the principles of good faith, such as being hidden away in small print which the consumer is unlikely to read.

Jeffrey Preston, Director General of Fair Trading, said: 'I welcome these new powers which will help to prevent unfair terms from appearing in the small print of consumer contracts. This will be an important advance in consumer protection. I know that a great many businesses have already done much to ensure that their contracts do not include unfair terms. I urge others to review the terms of their standard consumer contracts in the light of the new law. They need to look with particular care at disclaimers, limitations of liability and variation or exclusion clauses which may work unfairly against consumers. I also welcome the requirement in the Regulations that contract terms be expressed in plain language. The Regulations give me considerable scope in dealing with problems which arise, and in most cases it should be possible to resolve matters quickly without resort to court action. But I will not hesitate to seek an injunction from the courts if this becomes necessary. One effect of the new Regulations will be that an unfair term is not binding on the consumer. This will enable consumers themselves to challenge or resist enforcement of such terms by traders.'

### Notes

1. The Regulations implement European Council Directive 93/13/EEC on unfair terms in consumer contracts.
2. Schedule 1 to the Regulations contains a list of contracts and particular terms which are excluded from the scope of the Regulations. Schedule 2 contains a list of some of the matters which shall be considered when making an assessment of good faith. Schedule 3 contains an illustrative list of terms which may be unfair.
3. The Regulations provide for the Director General of Fair Trading to consider any complaint made to him about the fairness of any contract term drawn up for general use. He may, if he considers it appropriate to do so, seek an injunction to prevent the continued use of that term or a term having a like effect in contracts drawn up for general use by a party to the proceedings. He may also take account of any undertakings given him by or on behalf of any person about the continued use of unfair terms in contracts with consumers. He must give reasons for his decisions whether or not to apply for an injunction. He is also entitled to disseminate information and advice about the operation of the Regulations to those affected by them.

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**For more information on this subject, we strongly advise our readers to read the book entitled *Unfair Terms in Consumer Agreements - The New Rules Explained*, reviewed in the 'Publications' section.**



## • 'TELEFAX DIRECTORY' SCAM DENOUNCED BY CUMBRIA TRADING STANDARDS

Local businesses have brought to the attention of **Cumbria Trading Standards Department** several payment requests for entries in an 'International Telefax Directory World Edition'. Payment, typically £365, is requested for the entry and although the small print does indicate that the request is not a bill, it is likely to be taken as one by an unsuspecting recipient. Bob Gale, Cumbria Trading Standards Officer, said: 'Demands for payment for unsolicited entries in business directories are a continuing problem. The business sending the invoice is often based overseas, thereby avoiding the United Kingdom laws on unsolicited demands for payment'.

This time, the demands originate from Zurich. But the problem is really a pan-European one. For example, last

year, payment requests for entries in some sort of telephone directory were sent from the Netherlands to French homes. If you know of other specific cases, please send the information to **INFO-C**.

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## • ANNOUNCEMENT ON RAIL FARES MARKS TURNING POINT IN POLICY

The **Central Rail Users' Consultative Committee** (CRUCC), the statutory consumer organization established under the 1993 Railways Act representing the interests of rail users nationally, has applauded the Franchising Director's announcement that railway fares will now be regulated to protect passengers from excessive rises.

The CRUCC has long advocated linking fare changes to inflation and quality of service, just as is now proposed. It is also satisfied by the fact that all routes, not just commuter services, will be covered by the new arrangements.

Welcoming this good news for passengers, CRUCC Chairman

Lennox Napier predicted that holding fares down will increase the attractiveness of the railway and stimulate greater use.

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## • BEWARE OF LOSING 40% OF YOUR LOTTERY WINNINGS!

The following very sensible piece of advice on how to - very legally - beat the Inland Revenue appeared in the June 1995 issue of **Which?**

Since winning the National Lottery - a new institution dating back just a few months in England - is such a long shot (14 million to one), some people choose to shorten their odds by joining a syndicate. But in doing so, they might be writing the Inland Revenue a blank cheque! Here's why.

Lottery wins are tax free. But people in a winning syndicate could be stung for **inheritance tax** if the person who held the winning ticket and handed out the proceeds died within 7 years of the win.

Then, the surviving members of the syndicate would have to convince the tax inspectors that their wealth came from winning the National Lottery and was not a gift. That tax is levied on sums over £154,000 and is collected at 40p in the pound.

Consequently, the easiest way for syndicate members to avoid any squabbles is to draw up an agreement which covers the following points:

- Date when the syndicate starts to play,
- Numbers to be selected (or method if different each week),

- Syndicate organiser who will buy tickets and distribute winnings,
- Syndicate members,
- Size of each stake and percentage of winnings awarded to each member,
- What will happen if somebody fails to pay,
- Does the syndicate want publicity or not,
- Signature of the syndicate members and of a witness (a non-member).

**Reference:**

*Which?* June 1995  
 Consumers' Association  
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 Fax: +44 171 830 6220

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**ITALY • 9 MAY: EUROPE DAY - A THANK YOU MESSAGE FROM ITALIAN CONSUMERS**

The **Movimento Consumatori** (Consumers' Movement) took 9 May, Europe Day, as an opportunity to extend its heartfelt thanks to Europe, without which Italian consumers would be deprived of numerous rights.

Hence, three cheers for the European Union and the regulations which today protect consumers' rights!

The European Union has legislated in areas as varied as product safety, product liability, protection of the ozone layer, environmental safety, protection of endangered species, waste recycling, the rights of tourists and the banning on unfair terms (indeed some of these provisions, much to the Movimento Consumatori's

shame, have not yet been transposed into Italian law).

The Movimento Consumatori points out that without the active and constant encouragement of the European Union, some governments would certainly be less inclined to regulate the relations governing supply and demand, thus preventing the development of a consumer culture.

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**• NEW EUROPEAN CONSUMER INFOCENTRE**

With the financial assistance of Unit 1 of the European Commission's DG XXIV 'Consumer Policy', and the Emilia-Romagna Region, a number of consumer associations (Adiconsum, Comitato Difesa Consumatori, Federconsumatori, Unione Nazionale Consumatori) have joined forces to create a common project in Bologna called **Eurosportello per il consumatore** (European Consumer Infocentre). The idea is to make Italian consumers more conscious of their rights as citizens of the European Union and to facilitate dialogue between consumers and the national and Community institutions.

In the six months since its inception Eurosportello has focused on three domains - information, assistance to consumers with grievances, and education, in the shape of training courses. Thus it has had contacts with several hundred consumers. It has created a documentation centre for Community and Italian consumer law, which also houses a wide range of bibliographical material in this domain.

To widen its net, notably to Italian-language consumers the world over, Eurosportello has recently launched its own **Internet** service in collaboration with the municipality of Bologna (in the Bologna area the service can be accessed directly via **Iperbole**):

The address is:

1. <http://www.comune.bologna.it>.

in the **Palazzo Europa** (as regards the virtual card).

Consult **Notizie e Discussioni - Centri Informativi** for the list of topics.

Apart from helpful tips, consumers can also find more detailed particulars on the services provided by the Infocentre:

2. at the e-mail address [eurocons@comune.bologna.it](mailto:eurocons@comune.bologna.it).
3. As of 1 June, consumers may write in for information, advice and assistance on their problems at the following address:

<http://www.comune.bologna.it>.

They should consult **Notizie e Discussioni - Gruppi di discussione - Gruppi moderati - Tutelaconsumadori** for the list of topics.

Consumers are welcome to input their ideas, proposals and suggestions and hence create a permanent rights discussion group. Eurosportello, which will act as group facilitator and moderator, will garner consumers' opinions on the various issues addressed and, wherever possible, forward them to

the competent national and Community bodies, so that they can be taken into account in developing the law and adopting initiatives to help consumers.

Naturally, non-Internet users will still be able to contact Eurosportello at:

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I - 40122 Bologna  
Tel./Fax: + 39 51 22 96 58

## **SWEDEN • RAISING YOUNG STUDENTS' AWARENESS OF CONSUMER PROBLEMS**

When young people leave secondary school to enter adult life, they often come up against a whole range of problems. Within a relatively short time they have to take important decisions on major investments - concerning student loans, accommodation, motor cars, television, hi-fi equipment, and much more besides. And as consumers they have to be extra careful because they are often very hard strapped for cash!

This is why **Konsumentenverket** (the Swedish Consumers Union) commissioned the firm Pannhuset in Göteborg to edit a magazine entitled *a sen da?* (And now what?), specially targeted at young people.

For some years now Konsumentenverket has been using innovative techniques to reach out to young people and pass on crucial information on consumer affairs. It was in this

perspective that Konsumentenverket and 10 jobless young people from Göteborg worked together to produce this magazine.

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## **• SMALL RURAL TRADERS ECSTATIC ABOUT NEW TRAINING COURSE**

On 12 June **Konsumentverkert** announced that over 300 small rural traders had attended its training course in management, merchandising and consumer law. This training scheme, which these small traders sorely need, was designed by Konsumentverkert together with Föreningen Landsbygdshandelns (FLF - Association for the promotion of small rural traders) and the Kopparberg and Jämtland local authorities.

According to a survey commissioned by Konsumentverkert small traders are extremely keen on such courses. The courses give them a great opportunity to get together and pool ideas and experience, something they value all the more because they often work in isolation and lack contact with their colleagues.

The part of the course devoted to merchandising went down best. Without good merchandising skills it is impossible to attract more customers, which is crucial for the survival of these small businesses. Some participants said that the training had given them a new impetus not to close their shops.

Konsumentverkert's Director-General Axel Edling claims that this training scheme gives a big fillip to the policy of sustaining services in underpopulated rural areas. The scheme was prepared and organized on the basis of the terms of reference issued to Konsumentverkert last year by the government.

An assessment of this training measure was presented to the National Assembly of Rural Traders on 12 June at the Teachers Institute at Stora Essingen in Stockholm.



Extracts from the evaluation report on the training measure: *Utvärdering av Landthandlarutbildning*, by Eureka Research AB, may be had from Konsumentverkert's press office.

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### AUSTRIA • IS AUSTRIAN DRINKING WATER REALLY CLEAN?

On 28 April 1995 the **Verein für Konsumenteninformation** (VKI - the Austrian consumer information association) publicised the results of a survey to appear in the May issue of its review *Konsument* on contamination of the Austrian ground water table by heavy metals, nitrates and herbicides.

The survey describes the at times dramatic situation resulting from the negligence with which this precious good has been managed, describes the major hazards to the population and indicates why so little has been done to set things right.

In many regions, nitrates - which are still widely used in agriculture - have polluted the ground water to such an extent that even if the use of fertilizers is considerably cut back no satisfactory reduction in ground water nitrate levels will be possible before the turn of the century.

The 'drinking' water contains mercury compounds at concentrations of up to 12 times the authorised level. This

pollution comes from industrial effluent and waste.

Wells on private land are particularly at risk - and there are 1,200,000 of them in Austria. A survey of 4,000 private wells revealed that only 5.5% supplied water that could safely be called clean.

Very high concentrations of certain pollutants occur in small 'pockets' of the ground water table. Generally these go unrecorded by the monitoring networks, since the sampling points are relatively far apart.

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### BELGIUM • FEBECOOP MEMORANDUM FOR JEAN-LUC DEHAENE

Last May, following the general elections in Belgium, **Febecoop**, the Belgian cooperatives federation, addressed a memorandum to Jean-Luc Dehaene, the outgoing Prime Minister and former of the future government<sup>1</sup>. This document contains several proposals for furthering the social economy and consumer interests. Below we summarise the pages devoted to the second point.

Broadly speaking, Febecoop insists that consumer interests must be integrated into the other policies, notably audiovisual media and information, financial services and indeed competition.

More specifically, at European level, Febecoop urges the Belgian government to support the adoption of a legal framework guaranteeing consumer protection in the field of distance selling, which should also comprise financial services and insurance. It is also in favour of adopting a directive on cross-border transfers. Finally, with an eye to

promoting durable consumer goods, it supports the Commission's programmes for reducing waste production, maximising waste re-use and recycling and encouraging ecological processing and elimination. Febecoop also wants consumers to be informed of the impact of consumer behaviour on the environment. This is why it believes that European programmes such as the ecological label should be reinforced and backed up by consumer information campaigns.

At national, regional and Community level, Febecoop would like to kill two birds with one stone by integrating consumer policy in the context of the war on exclusion.

Firstly, overindebtedness has to be prevented and controlled. One of the solutions favoured by Febecoop is to replace the current system of proceedings brought by individual creditors - which provides no solution to the difficulties resulting from accumulated debts - by a collective debt

regulation system. Febecoop is backing a bill to this effect, already adopted by the Chamber of Deputies, but which yet has to go to the Senate. Another solution is to encourage debt mediation. Febecoop regrets that in the Brussels and Flemish Regions there is no decree providing for the licensing of debt mediators.

Secondly, statutes are needed that enshrine the access of all to services of general interest, notably accommodation, health, justice, banking services, transport, telecommunications and insurance.

Thirdly, to enable consumers to play an active role in economic life, consumer education and information must be put on a systematic footing. This means, for example, placing consumer issues on school curricula and using the mass media, notably television, to inform consumers, as well as

promoting permanent adult education programmes on consumer issues.

In conclusion Febecoop says it hopes that the incoming Belgian government will pay attention to its proposals and integrate them into its programme for promoting consumer interests.

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<sup>1</sup> In the meantime he has officially been appointed Prime Minister.

## • COMPETITION: 'SOCIAL SECURITY - SOLIDARITY AT ALL STAGES'

Some months ago, on the occasion of the 50th anniversary of the Belgian social security system, the non-profit making association **Centre coopératif de la consommation** organised a competition on social security and its basic values, open to young people aged 15 to 25.

A brochure entitled *Social Security - Solidarity at all stages*, outlining the key mechanisms of this institution, was distributed to all schools and to youth organisations, together with an invitation to participate in a competition by creating a collective work, using any medium (drawings, video clips, drama, etc.), designed to shed more light on social security and the philosophy of solidarity that underlies it.

From the 21 entries the jury selected five winners and awarded two special prizes. In the Brussels Urban Region, the prize went to vocational class 6 (advertising and screen printing) at the Institut Sainte-Marie in Saint-Gilles, for an exhibition of 39 water colours and prints illustrating the various sectors of the social security systems.

In the provinces of Namur and Walloon Brabant, the prize went to general class 6 (social sciences) at the Athénée Royal Folon in Wavre for a T-shirt featuring the slogan 'You may yet be glad you contributed'.

For the province of Hainaut, the prize went to the entry submitted by social sciences class 4 at the Collège Notre-Dame de Bon Secours in Binche, who presented a series of illustrated panels recounting the story of Aladdin in the land of social security.

For the province of Luxembourg, the prize went to visual arts class 5 at the Institut Saint Remacle in Marche en Famenne for a silent video film entitled 'Social security man'.

The province of Liège won three prizes because of the quality of the entries. The first prize went to vocational class 5 at the Institut Don Bosco in Huy for its theatrical performance inspired by the street-theatre tradition.

Finally, the two special prizes went to the French Community's Higher Education Institute (Les Rivageois) for two posters and two educational files and the Liège Institute for Higher Commercial Studies for designing a game called 'Social snakes and ladders'.

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**FRANCE • 10TH ANNUAL REPORT OF THE COMMISSION DE LA SÉCURITÉ DES CONSOMMATEURS**

On 29 March the French **Commission de la Sécurité des Consommateurs** (Consumer Safety Commission - CSC) presented its 10th annual report to the President of the Republic and Parliament<sup>1</sup>.

From 1 January 1994 to 28 February 1995 it delivered 19 opinions, of which 13 were in response to requests and six concerned draft decrees.

Certain opinions relate to specific branded products which have caused problems, such as a paint remover manufactured by the firm Veralind or a wallpaper stripper that can be hired from the firm Mazor. The number of opinions in this category is on the decline, thanks to the CSC's clean-up work in the sectors concerned since its creation, and the resulting national or Community rules.

Other opinions are of a broader nature and relate to product categories (fire detectors, sunlamps, etc.).

Finally, the third category consists of opinions on draft decrees, for example on bunk beds, asbestos-containing products or 'low voltage' electrical equipment. In the case of asbestos-containing products the CSC delivered an opinion in favour of a draft decree transposing a Community directive into French law, while in the case of the 'low voltage' electrical equipment it recommends that rules be developed on the basis of the European standards.

The number of opinions in these two latter categories is growing.

The CSC also emphasises the growing frequency of recalls or withdrawals of products on the part of the professionals, either on a voluntary basis or in response to regulatory measures (decrees issued by the minister responsible for consumer affairs and/or all the ministers concerned, often following an opinion from the CSC), or at the instigation of the CSC independently of regulatory measures.

The CSC also collaborates closely with insurers in preparing surveys and information campaigns. Through consulting

insurers the CSC obtains first-hand information on the breakdown of certain accidents and how exactly they occurred. The insurers in turn relay accident prevention information to the general public.

Finally the CSC describes its information and training measures (other than those involving insurers). It communicates both with opinion multipliers and the general public in the form of press releases, case files on current issues relating to safety, replies to questions put by minitel or telephone (several hundred consultations per month) and a newsletter with a circulation of 5,000 published five times annually. It has also published approximately 100 files with practical advice in six different domains<sup>2</sup>. The CSC also plans to communicate more effectively in future. This will involve closer contacts with certain specialized bodies attached to other ministries and administrative departments (for example the Ministry of National Education as regards the safety of equipment used at schools) and the development of decentralized measures at grassroots level (for example CSC participation in prevention measures organized by works councils, road safety lobbyists, parents' associations, consumer organizations, etc.).

**Contact:**

Commission de la Sécurité des Consommateurs  
59 Bd Vincent Auriol  
Bât. 5 'Grégoire'  
Télédoc 021  
F - 75703 Paris Cedex 13  
Tel.: +33 1 44 87 17 17  
Fax: +33 1 44 97 05 65  
Minitel: 3614 SECURITAM

<sup>1</sup> Obtainable for FF 100 from the Direction des Journaux Officiels, 26 rue Desaix, 75015 Paris.

<sup>2</sup> For sale at the same address (FF 120).

## • CRÉDIT LYONNAIS VERSUS ITS CLIENTS

Crédit Lyonnais, already the butt of ridicule the world over and the target of virulent attacks by French taxpayers<sup>1</sup> in the wake of its huge financial losses has also come under fire from the **Association française des usagers des banques** (AFUB - the French Association of Bank Users) because of its recent advertising campaign on its rate charged for overdrafts.

In this campaign the Crédit Lyonnais justifies a rate of 17.81% because of the costs incurred, while inviting clients to come and discuss a reduction in the rate. But French law<sup>2</sup> provides that in the absence of a written agreement between the client and the bank only the legal rate may be applied - and that is currently 5.82%! Therefore, it is illegal for a bank to charge a rate of 17.81% without the client's written consent.

Hence AFUB is encouraging victims of these irregularities to demand a refund of the amount unduly debited, i.e. the difference between 5.82% and 17.81%. It has also set up a rapid and simple procedure for invoking this right.

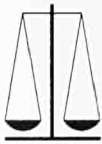
Concluding its press release AFUB says that users will not let themselves be taken in by the duplicity of a procedure designed to cloak the bank's real obligations to its clients. AFUB states that the bail-out of the Crédit Lyonnais will involve a whole new approach to customer relations and the jettisoning of practices like this that make a mockery of basic notions of fair dealing.

**Contact:**

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45-47 rue Saint-Denis  
F - 75001 Paris  
Tel.: +33 1 43 66 35 70  
Fax: +33 1 43 66 31 51

<sup>1</sup> Crédit Lyonnais is a nationalised bank...

<sup>2</sup> Article 1907 of the Civil Code; indeed, the principle is also enshrined in the case law of the Cour de Cassation (Supreme Court)!



## — European Union —

# EC Court of Justice upholds price fixing for books

Article 85(1) of the EEC Treaty prohibits anti-competitive agreements. Article 85(3) allows certain exemptions where an agreement provides certain benefits, i.e. when it '... contributes to improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and [ ] does not ... impose on the undertakings concerning restrictions which are not indispensable to the attainment of these objectives ...'.

In 1957, the Publishers' Association, representing 70 to 80 percent of publishers in the UK, drew up the **Net Book Agreements**. These set out the conditions for the sale of books at fixed prices in the UK and Ireland and stipulated that with certain exceptions books could not be sold to the public below the agreed net publishers price. The objectives of the system were to avoid a decrease in the number of stockholding booksellers, and to prevent a fall in sales and smaller print runs and hence a rise in book prices.

In 1962 the Restrictive Practices Court of the UK considered the agreements under that country's legislation. It held that the public would be deprived of benefits and advantages by their abolition and would not suffer appreciable harm by their maintenance. It therefore deemed the agreements not contrary to the public interest [*in re Net Book Agreement 1957(1962) LR 3 RP 246*].

In December 1988 the Commission of the European Communities decided that this type of agreement constituted an infringement of Article 85(1). It also rejected an application from the Publishers' Association for exemption under Article 85(3) on the ground that the restrictions imposed by the Net Book Agreements were not indispensable to the attainment of the stated objectives. The Association applied for annulment of the Commission's decision.

In 1992 the Court of First Instance dismissed the Association's application. It held that the Publishers' Association, which is

an Association consisting of publishers in the United Kingdom, was not entitled to rely on any negative effects which might be felt on the Irish market, even though that market belongs to the same language area. The Association appealed to the Court of Justice of the European Communities.

On 17 January 1995, the Fifth Chamber of the Court of Justice of the European Communities held that the judgment of the Court of First Instance was incorrect because of a number of errors of law. In particular, the Court of Justice found that the Court of First Instance had wrongly interpreted Article 85(3) when considering that the exemptions for which it provided were subject to the condition that any benefits should occur only in the territory of the Member State or States where the undertakings who were parties to the agreement were established. According to the judgment of the Court of Justice, 'such an interpretation is incompatible with the fundamental objectives of the Community and with the very concepts of common market and single market'.

The Court of Justice annulled the Commission's decision to reject the Publishers' Association's application for exemption under Article 85(3) and set aside the judgment of the Court of First Instance.

### Reference:

Judgment of the Court of Justice of the European Communities (Fifth Chamber)  
Case C-360/92 P (*Publishers' Association v Commission of the European Communities*)  
17 January 1995.

### Acknowledgments to:

DG IV - Competition's *Competition Policy Newsletter* (Volume 1 - Number 4 - Spring 1995 - pp. 32-33).

Consumers' Association's *Consumer Policy Review* (Volume 5 - Number 3 - May/June 1995 - pp. 109-110).





## — France —

# Legal victory for Herbalife distributors

In this section of our April 1995 issue<sup>1</sup> we reported that on 20 September 1994 the Brest District Court had sentenced Mr and Mrs Le Fustec, two independent sellers of Herbalife products<sup>2</sup>, for the felony of pyramid selling<sup>3</sup>. In the meantime the situation has been reversed: on 8 June last the Rennes Appeal Court struck down the judgment<sup>4</sup>.

The Appeal Court considered the following points:

- Mr and Mrs Le Fustec were Herbalife distributors and also had the rank of national supervisors in the distribution system;
- this distribution was organised around a sponsorship-based marketing system comprising three ranks: consultant, senior consultant and supervisor;
- to move up in the hierarchy sellers had to sell certain quantities within determined periods;
- the quantities taken into account included both those sold directly by the seller and those sold by their recruits;
- independently of rank, earnings depended on sales volume and were calculated on the basis of the difference between the price paid by the client and the distributor's purchasing price, with progressive rebates as a function of increasing orders;
- the supervisors also received commission from Herbalife depending on the volume of their sales. Their job was not only to motivate and train their network, but also to expand it, given that they had to recruit new distributors. To this end the defendants had published advertisements in the press worded 'Agency seeks dynamic individuals for full-time or part-time work' and had organised information meetings for 'candidate distributors' on the different selling methods recommended by Herbalife - direct and by sponsorship - and on the financial advantages of each one;
- the evidence collected by the anti-fraud unit indicated that during these meetings the emphasis was on the potential gains from sponsorship, backed up by tables and diagrams;
- it was on the basis of these testimonials and documents that the anti-fraud unit had pushed charges;
- the accused had appealed and demanded their release, claiming that the alleged infringement had not occurred, since the distributors were not obliged to recruit a constant number of adherents and that the price rebates and commissions were not linked to the number of recruitments;

- for its part, the Brest branch of the Federal Union of Consumers, also a plaintiff in appeal, sought confirmation of the ruling both in regard to its criminal and civil provisions and 4,000 FF damages under Article 475-1 of the Code of Criminal Procedure.

The Appeal Court held:

- an infringement would only have taken place had the proposal led people to believe that the promised gains would be obtained solely by constant multiplication of the number of new adherents;
- none of the witnesses heard had claimed that the defendants had led future distributors to believe that sponsorship alone would be enough to ensure profits;
- that the guide for distributors, although it outlined the financial advantages of sponsorship and encouraged sellers to engage in it, nowhere argued that the profits resulting from this practice resulted from a geometric progression of recruits;
- the only valid charge against the defendants concerned the 'Herbalife marketing plan' which they had presented to 'candidate distributors', because this document set out the financial advantages of a geometric progression of distributors by comparing the profits obtained through sponsorship of four new distributors, sponsoring in turn four other distributors;
- there was, however, no evidence that this document was a crucial part of the defendants' sponsorship system and hence on its own was not proof of an offence.

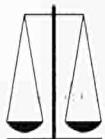
Consequently the Appeal Court struck down the judgment, released the defendants, dismissed the suit brought by the Brest branch of the Federal Union of Consumers and ordered that costs be paid from the Public Treasury.

<sup>1</sup> Article entitled 'France - Pyramid selling in the dock'.

<sup>2</sup> The sellers of these products are never Herbalife employees.

<sup>3</sup> Pyramid selling: inviting a person to collect memberships or to add his name to a list in the hope of financial gain resulting from the geometric progression of cash memberships or lists constitutes an infringement under Articles 1(2) and 2 of Act No 53-1090 of 5 November 1953 as amended by Act No 89-421 of 30 June 1989, Article L 122-6 2 of the Consumer Code.

<sup>4</sup> Judgment 1009/95.



## Peugeot sentenced for false advertising

To discourage French drivers from buying cars in Belgium, Peugeot displayed on hoardings near the border advertisements featuring two cars separated by a customs barrier and the text: 'Only one metre separates these two new Peugeots, but they are one year apart'. The words '1993 model' featured beneath the car on the Belgian side and '1994 model' on the French side.

On 15 March 1995 the Paris Appeal Court sentenced Peugeot for false advertising as regards the notion of year-of-manufacture, again challenging this anachronism. The car is the same whatever side of the border it is purchased on and only a bizarre French rule entitles the manufacturer to grant it the next year's year-of-manufacture after 1 July of the preceding year. Hence the Court ruled that it was dishonest to

lead people to believe that there were two different models. The Court imposed a fine of FF 100,000 on Peugeot and awarded FF 10,000 to each of the two plaintiffs, i.e. the 'Union fédérale des consommateurs - Que Choisir' (the French Consumers Union) and the 'Syndicat européen des professionnels de l'automobile' (a group of agents / parallel importers). It also ordered publication of the judgment in seven newspapers.

As indicated above, this judgment again raises the question of harmonizing year-of-manufacture rules at European level (which do not coincide with the calendar year in France and Great Britain). At the end of last year, BEUC and the 'Syndicat européen des professionnels de l'automobile' already requested the Commission to look into this issue.

### — Austria —

## Consumer wins lawsuit on unfair contractual terms

26

In scrutinising standard form contracts for unfair terms, the **Verein für Konsumenteninformation** (VKI - the Austrian consumer information association) has turned the spotlight on video rental shops. Their standard form contracts in many cases contain one-sided and sometimes blatantly illegal terms. The VKI has instituted a class action. Moreover, one individual victim has already won a test case.

A member of a video club had a membership card entitling her to borrow videos. The standard form contract contained the following term: 'If the membership card is lost or stolen, the member shall be liable for any abuse thereof, unless the loss is immediately reported to the shop'.

The consumer lost her membership card but did not notice it straight away. An unknown third party identified herself - over the phone - as the rightful holder of the card and said that her husband would drop by to pick up some videos. In due course a stranger came to the shop, presented the lost card and - **after signing his name illegibly, without having to identify himself** - borrowed four films which were never returned.

The video rental shop, relying on its standard terms, requested the consumer to make good the damage. However the court (BG Hietzing, 28 November 1994, 8 C 3477/93) held that 'immediate reporting of the loss' could only apply to immediate

notification after the consumer became aware of the loss. If the consumer had established the loss but not notified it 'immediately', she would have had to pay up. However, since the consumer had not noticed the loss at all, she was in no way liable. On the other hand, since the video rental shop had neglected to take even the most basic precautions, it was grossly liable for the damage. The case was dismissed.

This case is typical of what could happen if more consumers availed themselves of the opportunity to pursue litigation on unfair contractual terms. Indeed, consumers should be reminded constantly that the Directive<sup>1</sup> on unfair contractual terms allows them to seek redress from the courts if they feel that an obligation placed upon them by a contract is unfair.

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<sup>1</sup> Council Directive 93/13/EEC of 05.04.1993 on unfair terms in consumer contracts, OJ No L 95 of 21.04.1993, pp 29-34.



In April 1995, Sweet & Maxwell published Geoff Harding's *Consumer Credit and Consumer Hire Law*, a straightforward, practical guide to the complex law relating to the Consumer Credit Act 1974.

It provides guidance on the issues related to the Act for all those involved in business, marketing and drawing up agreements under its terms.

It gives a step-by-step treatment of the area beginning with a checklist to ascertain whether a prospective agreement would be governed by the Act.

It covers all measures which need to be taken to avoid any administrative or judicial infringement of the Act.

It includes a glossary explaining the unfamiliar terminology used in the Act.

Sweet & Maxwell also publish *Consumer Law Journal*, a bi-monthly periodical offering a current, global view of the subject at national, European and international levels. The magazine benefits from the involvement of the Centre for Consumer Law Research at Louvain-la-Neuve University, Belgium<sup>1</sup>, which is at the forefront of developments in consumer law in the EC and Member States. It comprises the following sections:

- Editorial: comments by Thierry Bourgoignie or Geraint Howells (Senior Lecturer in Law at the University of Sheffield),
- Articles: a platform for compelling, in-depth analysis on the latest developments worldwide,
- Opinion: stimulating comments in the form of short topical articles and a practitioner's column,
- Current survey: brief updates on statutory, regulatory and case law authorities worldwide,
- Book reviews.

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<sup>1</sup> Thierry Bougoignie is one of the General Editors and Monique Goyens is one of the Survey Editors.

The Unfair Terms in Consumer Contracts Directive<sup>1</sup> took effect in the UK on 1 July 1995 and now affects the conclusion of all contracts. Ideally then, businesses should already have reconsidered and, if need be, redrafted, the standard terms and conditions in all contracts, in order to eliminate clauses which are no longer valid. Examples of particularly vulnerable contracts include insurance, instant credit in shops and banking agreements.

On 25 May 1995, John Wiley & Sons Ltd. published *Unfair Terms in Consumer Agreements - The New Rules Explained*, written by practising barristers Nick Lockett and Manus Egan. The 100-page book gives insight into the new Directive, focusing on which terms it prohibits, how it will be implemented in the UK, and the problems and uncertainties it could create.

It is divided into five chapters:

**Chapter 1**, 'Introduction', presents the institutions and the legislative process of the European Union.

**Chapter 2**, 'The Consumer Protection Programmes', summarises the history of consumer protection at EC level.

**Chapter 3**, 'The Unfair Terms in Consumer Contracts Directive', explores all the nooks and crannies of this major piece of legislation<sup>2</sup>, focusing especially on the 'test of fairness' which contracts are now required to pass in order to be valid.

**Chapter 4**, 'Indicative List of Contractual Terms', lists clauses which are likely to be ruled invalid in the event of litigation. Just to name one example, 'conditional service provisions', i.e. clauses which bind the consumer to a contract *before* binding the seller/supplier, are likely not to pass the test of fairness. But the list is purely indicative and the 'problems and uncertainties' alluded to above will remain until the jurisprudence is sufficiently abundant and clear.

Finally, **Chapter 5**, 'UK Implementation', examines the concrete aspects of the transposition of the Directive into UK law.

Given the importance of the Directive, *Unfair Terms in Consumer Agreements - The New Rules Explained* is compulsory reading to all lawyers, consumer advisers and suppliers of goods and services.

**Contact:**

John Wiley & Sons Ltd  
Baffins Lane  
UK - Chichester PO19 1UD  
Tel.: +44 243 779777  
Fax: +44 243 775878

<sup>1</sup> Council Directive 93/13/EEC of 5 April 1993 on Unfair Terms in Consumer Contracts (OJ 1993 L95/29).

<sup>2</sup> The full text of the Directive is to be found in an Appendix.



Where can you find all Belgian laws and rules governing consumer protection?

In the two-volume ***Marché & Consommateurs - Code annoté*** (The Market and Consumers - An Annotated Code), just published by Kluwer. It is the work of an editorial team consisting of specialists in the field headed by Thierry Bourgoignie, Director of the Consumer Law Centre of the Law Faculty at the **Catholic University of Louvain**.

The two volumes total 1,800 pages and address consumer protection from all angles. The work is divided into five major parts:

**Part 1:** Consumer information and education;

**Part 2:** Protection of consumers' economic interests;

**Part 3:** The quality and safety of products and services intended for the consumer;

**Part 4:** Consumer access to justice;

**Part 5:** Organization and representation of consumer interests.

As the title indicates, the work contains not only the statutory texts but also introductory and explanatory notes. It also cites major case law relating to certain provisions. Its numerous bibliographical references open the way to further research.

Finally, thanks to its loose-leaf format, readers will always have access to a fully up-to-date version of the information they need.

The basic price is FB 7,500, and updates will cost FB 20.6 per page.

**Contact:**

Kluwer - Editions juridiques - Belgique  
Kouterveld 2  
B - 1831 Diegem  
Tel.: 0800 16868 (freephone in Belgium)  
+32 3 360 03 65 / 66  
Fax: +32 2 723 21 21  
+32 3 360 04 67

**CRIOC** has published several brochures on consumer topics with an ecological dimension:

- **building materials**;
- **packaging**;
- **glues and adhesives**;
- **cleaning products**;
- **detergents**;
- **gardening**;
- **transport and travel**.

These brochures contain advice on the products to use and on the art of 'green' consumption. For example, use natural rather than synthetic paints, use soft detergents rather than bleach, which is increasingly being employed indiscriminately, opt for products sold in rechargeable containers rather than those marketed in expensive, fancy and useless packaging; fill up the washing machine rather than running it on 'half loads', which always consume proportionally more water and electricity, and so on.

The brochures are published in French, Dutch and German. They may be purchased for 10 FB per copy plus postage, or for 120 FB for the full set of seven, including postage.

**Contact:**

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CRIOC  
Service Info-Education  
rue des Chevaliers 18  
B - 1050 Brussels  
Tel.: +32 2 547 06 11  
Fax: +32 2 547 06 01

In April the **Centre coopératif de la consommation**, a consumer organization recognised as a Health Education Service by the Francophone Community in Belgium, published an educational dossier written by Isabelle Montulet and entitled ***Medicaments, tour d'horizon*** (Medicines - an overview).

This dossier is mainly intended for educational 'multipliers' (for example the staff of medical social centres) who are frequently called on to answer questions laypeople ask about medication. Thus the 14 files deals with such a wide range of subjects as:

- Definition and classifications - research - manufacture - marketing;
- Cost;
- Information and advertising;
- Sales;
- Choosing a drug (with warnings against self-medication);
- Drugs and the organism (with warnings on interactions);
- Drug consumption (with warnings on under-consumption and over-consumption);
- Good drug use;
- Drugs past their expiry date (with details on how to figure out the expiry dates);



- Drugs and the elderly;
- Homeopathy;
- Antibiotics;
- List of educational material on drugs.

To obtain *Medicaments, tour d'horizon* (150 FB + postage) contact:

Mme C. Maya Bravo  
Centre coopératif de la consommation  
rue Haute 28  
B - 1000 Brussels  
Tel.: +32 2 500 52 71  
Fax: +32 2 514 54 43

The Belgian non-profit making body **Association contre le Cancer** has published three documents (one brochure, one folder and a poster) entitled *Un atout santé...* (Health - a sure thing) and extolling the role of fruit and vegetables in cancer prevention.

The 15-page brochure explains why fruit and vegetables are good for health (they are generally low in calories but rich in mineral substances, vitamins and fibres), lists the virtues of the main vitamins they contain, indicates the best way of preserving and preparing them so that they will retain all their properties, and specifies the ideal daily intake, viz. for adults 100 to 200g fruit, 150 to 200g cooked vegetables, and 75g raw vegetables!

The folder summarises these particulars and points out that in the context of a fruit-and-vegetable-rich diet artificial vitamin or fibre supplements are absolutely useless<sup>1</sup>. Moreover, it demolishes the prejudice that deep-frozen fruit and vegetables are less beneficial.

Finally, the poster - for display in the kitchen - lists the vitamin A, C and E and fibre content of certain fruits and vegetables, as well as their calorie content.

**Contact:**

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place du Samedi 13  
B - 1000 Brussels  
Tel.: +32 2 219 19 20  
Fax: +32 2 218 53 27

<sup>1</sup> This fully corroborates *De Konsument's* claims, reported under the heading 'Vitamin C - the best is the enemy of the good' in the 'Euro-Infos' section.

The **Association des Responsables de Copropriété** (ARC' - Association of Co-owners) has just published a brochure entitled *Le syndic de copropriété - ses droits, ses obligations, ses responsabilités* (Managers of co-ownership properties - their rights, obligations and responsibilities) containing four large sections that survey the relations between owners and the manager of their property.

1. 'The agent - appointment and removal' - This discusses the role of the agent and how agents can be hired and fired.
2. 'The contract with the agent' - This is an essential document describing obligations and remuneration. This section warns of the pitfalls certain contracts may conceal and explains how the agent's fees can be monitored.
3. 'The agent's obligations and powers' - This spells out the agent's obligations to the owners.
4. 'What can owners do when the agent doesn't do his job or does it badly?' - This describes the various problems which may arise and suggests both amicable and legal solutions. One of many excellent examples: the ARC recommends - contrary to the view of the national co-ownership commission - that one should never vote the final discharge but only approval of the accounts, as is allowed under the letter of the 1965 Co-ownership Act. The point is that once the discharge has been granted the agent will no longer be liable for any errors<sup>2</sup> he may have made (there are rare exceptions, but to invoke them would involve a long battle in court, with uncertain outcome), while merely approving the accounts means that the agent is liable for his acts for 10 or 30 years, depending on the circumstances.

The French real estate review *Le Particulier* will publish, in the last quarter of 1995, a special issue on co-ownership that will include some of the information contained in this booklet. There are also three other guides: 'The General Meeting - before - during - after', 'The indispensable supervisory board' and 'Co-ownership doesn't have to be a mystery'.

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Fax: +33 1 40 30 12 63

<sup>1</sup> We already mentioned this association and its activities in our last issue.

<sup>2</sup> In the case of fraud, the question theoretically does not arise because the discharge will always be considered as void. But the dividing line between wilful deceit and inadvertent error is often a very thin one...



The **Centre Régional de la Consommation de la Région Nord - Pas-de-Calais** has published a four-page brochure entitled *Le millésime automobile* (Cars and their year-of-manufacture) summarising the intricacies of this typically French notion. Remember that the problem here is the bizarre French rule stipulating that any car purchased after 1 July be given the next year's year-of-manufacture. Hence a car bought in France in August 1995 will feature as a '1996 model', while the same vehicle purchased in Belgium will - logically enough - be considered a '1995 model'. It is easy to imagine the disputes this absence of harmonization in national laws can engender... This brochure, which addresses all possible cases, gives French buyers who want to purchase a car abroad a better idea of the problems that may arise in determining the year, and hence the price of the vehicle, in the event of later sale or when seeking compensation from an insurance company following an accident.

**Contact:**

Centre Régional de la Consommation  
47bis rue Barthélémy Delespaul  
F - 59000 Lille  
Tel.: +33 20 60 69 12  
Fax: +33 20 42 09 31

A fine, sunny summer's day. Mummy and Daddy are dozing in their deck chairs in the shade, while the children play in the lush shrubbery...

An idyllic picture, but one which may rapidly turn into tragedy. Each year, approximately 500 under-fives are admitted to Danish casualty units after eating berries, leaves, mushrooms or other poisonous vegetation. Lively colours are particularly attractive and unfortunately the young victims are not put off by sour or bitter-tasting plants.

The new brochure *Kom ulykken i forkøbet* (How to avoid accidents) published by the **Forbrugerstyrelse** (Danish Consumer Agency) tells us how to prevent accidents, both inside the house and in the garden.

The brochure can be ordered round the clock at +45 32 96 07 for 7 DKR + postage. An annual subscription to the Forbrugerstyrelse's brochures - four issues inclusive of postage - costs 30 DKR.

For more information contact Aase Nørby, specialist in nutrition and home economics, at the following address:

Forbrugerstyrelsen  
Amagerfaelledvej, 56  
DK - 2300 Copenhagen  
Tel.: +45 32 96 06 32 ♪ 326  
Fax: +45 32 96 02 32

For most of us it is an everyday experience. It is mid-morning and our stomach begins to rumble - we start yearning for a real meal.

The explanation is simple: we ate too little for breakfast or did not eat properly.

To tide us over until lunchtime, we need cereal-based products, notably bread.

The new brochure *Brød* (Bread) from the **Forbrugerstyrelse** has lots of sound advice designed to restore bread to its rightful place in our diet. Today bakers and supermarkets offer a wide range of tasty products. And for those who want to bake their own bread, the brochure contains a set of both new and more traditional recipes.

The brochure can be ordered round the clock at +45 32 96 07 11. The price is 7 DKR + postage. An annual subscription to the Forbrugerstyrelse's brochures - four issues inclusive of postage - costs 30 DKR.

For more information, contact Anne-Dorte Gjerulff, specialist in nutrition and home economics, at the following address:

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Fax: +45 32 96 02 32



## 23 and 24 October 1995

# European Congress on Consumer Guidance and Protection

The **OCUC** (Organització de Consumidors i Usuaris de Catalunya - The Catalonia Consumers and Users Association) will be holding its **2nd European Congress on Consumer Guidance and Protection** on 23 and 24 October at the Barcelona Sants Hotel in Barcelona. Programme highlights include:

- Presentation of three reports, followed by round tables with participation of experts:
  1. The retail trade in the European Union
  2. Environment, quality of life and consumption
  3. Product quality in the European Union

- Presentation of two exhaustive studies by leading international authorities on the following issues:

1. Global consequences of the 1994 GATT agreements for consumers
2. European consumer policy - results to date

#### For the full programme, contact:

Ricard García-Nieto Conde  
 President  
 OCUC  
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 E - 08023 Barcelona  
 Tel.: +34 3 417 47 37  
 Fax: +34 3 212 08 43

## 2 November 1995

# 'Safety and the over-55s'

The Netherlands **Stichting Consument en Veiligheid** (Consumer and Safety Foundation) is organizing a seminar on **'Safety and the over-55s'** to be held on 2 November 1995 at the Palais des Congrès, The Hague.

The seminar is intended for organizations and institutions concerned with promoting the personal safety of senior citizens<sup>1</sup>: decision-makers and employees at municipalities, local health services, national and provincial government, professional associations, housing associations, architect's offices, manufacturers of various products, hospitals, etc.

Stichting Consument en Veiligheid points out that 1 740 senior citizens die following accidents in or around the home in the Netherlands each year and that 30 000 others are hospitalized as a result of such accidents.

The seminar will address various aspects of safety in nine workshops which will be moderated by specialists in different fields. Participants may custom-build their own programme to fit their interests.

The workshops are:

1. Marketing and senior citizens
2. Security in the home for senior citizens

3. Better fire safety
4. Accidents can so easily happen
5. Information by and for senior citizens
6. Working locally
7. Labelling and use of products
8. Living longer at home
9. Falls outside the home

For all additional information on the programme and enrolment details, contact:

Stichting Consument en Veiligheid  
 Rijswijkstraat 2  
 PO Box 75169  
 NL - 1070 Amsterdam  
 Tel.: +31 20 511 4513  
 Fax: +31 20 511 4510

<sup>1</sup> Some of our readers will no doubt ask whether the over-55s should really be called 'senior citizens'... It is a mere translation of the Dutch term 'senioren' used in the original text.



## 9 November 1995

# Fifth Annual Colloquium of the Credit and Indebtedness Observatory

On Thursday 9 November, the **Observatoire du Crédit et de l'Endettement** (Belgium's Credit and Indebtedness Observatory) will be holding its Fifth Annual Colloquium in Brussels on '**Lender and Credit Intermediary Liability**'. The focus will be on how to apportion the risk between professionals and consumers.

**Contact:**

Nadine Fraselle  
Observatoire du Crédit et de l'Endettement  
Quai de Brabant 10  
B - 6000 Charleroi  
Tel.: +32 71 32 00 64  
Fax: +32 71 32 14 00

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## 9-10 November 1995

# European Conference on Safety Labelling

In cooperation with the *Commission de la Sécurité des Consommateurs* and the *Laboratoire National d'Essais*, the **European Consumer Safety Association (ECOSA)** is organizing a conference on safety labelling on 9 and 10 November in Paris.

The objective is to discuss how to improve product information and the use thereof, in order to prevent accidents with consumer products.

Here are some examples of the subjects which will be treated:

- models and guidelines for warnings and instructions for use;
- current labelling initiatives with regard to toys, children's products, electrical equipment and household chemicals;
- special issues such as marking, liability, special user groups, etc.

Workshops will be organised on the following topics:

- effectiveness and limitations of safety labelling;
- labelling of toys;
- bridging the gap between theory and practice;
- structuring labelling initiatives at the European level.

The conference targets consumer organizations, standardization bodies, EU and national authorities, enforcement agencies, research institutes and the business community.

**Contact:**

Marion Bonneveld  
ECOSA Conference Secretariat  
PO Box 75169  
NL - 1070 AD Amsterdam  
Tel: +31 20 511 45 71  
Fax: +31 20 669 28 31





# January/February/March 1996

## Competition organised by the Catalan Consumer Institute

The **Institut Català del Consum** (Catalan Consumer Institute) is organizing a competition to reward individuals or organizations for their achievements in spreading knowledge about consumer rights and duties and sensitizing citizens to consumer issues.

The three fields in which candidates may compete are training, research and information. The first two sections are open to all individuals or organizations, while the last is open only to communications professionals working in television, radio or the press.

The competition is open to all persons based in Catalonia, elsewhere in Spain, or indeed anywhere in Europe (including non-Community countries).

The closing date for entries is 15 January 1996. The Board of Management of the Institut Català del Consum will announce

its verdict before 20 February and the prizes will be awarded in March at a public ceremony marking World Consumer Rights Day.

For all particulars concerning prizes, the detailed rules and practical aspects of the competition, please contact:

Montserrat Farré/Leonor Alvarez/Laura Sabaté  
Generalitat de Catalunya  
Institut Català del Consum  
Gran Via Carles III, Lletres Bil  
E - 08028 Barcelona  
Tel.: +34 3 330 98 12  
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