

# Consumer protection: indication of prices of products offered to consumers

1995/0148(COD) - 21/06/2006 - Follow-up document

The purpose of this Communication is to examine how Member States have implemented Directive 1998/6/EC on consumer protection in the indication of prices of products offered to consumers. It is limited to this question on which public consultation is sought. All the Member States have adopted national legislative measures transposing the Directive 98/6/EC on consumer protection in the indication of the prices of products offered to consumers. The Commission here reports on the application of this Directive, as provided by its article 12.

At this stage, however, the Commission does not consider appropriate to put forward any proposal under article 12 of the Directive. In fact it has no evidence that the current divergences between national laws on price indications raise significant internal market barriers, which would justify a regulatory intervention. This issue will be decided in the light of the consultation. According to the Directive, a proposal in the field of price indications should take into account, in particular, the experience gained in the application of the Directive by small retail business, regarding technological developments and the introduction of the single currency. The Commission has carried out a study, which took place prior to enlargement and limited to the 15 old Member States, aimed to assess the actual impact of the provisions of article 6 and their implementation on small retail businesses, the functioning of the internal market and the overall level of consumer protection.

The Directive did not give rise to any major transposition problems in any of the Member States. It has been implemented by all Member States, though in some cases after the date set by article 11(1) - that is 18 March 2000. The study carried out by the Commission shows a wide agreement that the Directive has contributed to increase the protection of consumer economic interests, although the actual extent of its impact remains unclear. The Directive allows Member States a remarkable level of discretion when drafting their transposition measures. Several articles introduce open regulatory options for national legislators: as a result, national laws implementing the Directive are for some aspects significantly diverging. This is not always the case, however: for some provisions, the vast majority of Member States have adopted the same normative solutions at national level.

As a result of this discretion, Member States have not relied extensively on the minimum harmonisation clause in article 10, whereby they can adopt or maintain provisions which are more favourable as regards consumer information and comparison of prices than those contained in the Directive. In the light of a possible revision of the Directive, the Commission intends therefore to consider whether there is a need to maintain the minimum harmonization clause in article 10.

As far as the possibility to waive the obligation to indicate the unit price of products for which this indication would not be useful because of their nature or purpose, the transposition checks reveal a very fragmented scenario: while some categories of products are exempted in most Member States, there are a number of quite specific exceptions, which are not always readily justifiable under the wording of article 5 (1). This creates an unwelcome inequality in the level of consumer protection across Europe, which may require further guidance as to what products or categories of products may be subjected and/or exempted from the obligation to indicate the unit price.

The Commission intends to hear the view of the interested parties on the application of article 6, with particular reference to its impact on the commercial activity of small retail businesses. The Commission welcomes particularly any submission on the continuing need for the temporary derogation provided in the Directive and/or the opportunity to introduce a European definition of small retailers in the legislation.

The annex lists some of the questions that need to be addressed in the general review process. On the basis of the outcome of the consultation process, in the light of the result of the ongoing process of review of the consumer acquis, the Commission will consider the need of further legislative initiatives in the field of price indications.

All interested parties are invited to submit replies to the European Commission by 1 September 2006.