




Procedure file

Basic information		
INI - Own-initiative procedure	2004/2157(INI)	Procedure completed
The promotion and protection of consumers' interests in the new Member States		
Subject 4.60 Consumers' protection in general		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Internal Market and Consumer Protection	PSE KRISTENSEN Henrik Dam	27/09/2004

Key events			
28/10/2004	Committee referral announced in Parliament		
22/11/2005	Vote in committee		Summary
30/11/2005	Committee report tabled for plenary	A6-0378/2005	
13/12/2005	Debate in Parliament		
15/12/2005	Results of vote in Parliament		
15/12/2005	Decision by Parliament	T6-0526/2005	Summary
15/12/2005	End of procedure in Parliament		

Technical information	
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Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/23426

Documentation gateway			

Amendments tabled in committee	PE364.756	21/10/2005	EP	
Committee report tabled for plenary, single reading	A6-0378/2005	30/11/2005	EP	
Text adopted by Parliament, single reading	T6-0526/2005	15/12/2005	EP	Summary
Commission response to text adopted in plenary	SP(2006)0053	12/01/2006	EC	
Commission response to text adopted in plenary	SP(2006)0453	13/03/2006	EC	

The promotion and protection of consumers' interests in the new Member States

The committee adopted the own-initiative report by Henrik Dam KRISTENSEN (PES, DK) on the promotion and protection of consumers' interests in the new Member States. It began by pointing out that consumer protection was a "relatively new concern" in the ten new EU countries, and concluded that the creation of a "consumer culture" based on a higher level of consumer awareness was essential for better enforcement and application of the existing legal framework. The report stressed that the internal market would not function properly as long as consumers were less well protected in some Member States than they were in others, and called on the Commission to draw up a specific strategy to encourage the development of a consumer culture in the new Member States. While welcoming the good record of those countries in terms of transposing existing Community legislation into their legal systems, MEPs called on their governments "to identify means by which consumer legislation may be effectively applied and enforced in practice". They also called for market surveillance structures to be strengthened in order to ensure high safety standards and the rapid removal of any defective or dangerous products.

The report noted that the new Member States' consumer protection authorities also had a key role to play in creating a 'consumer culture' and urged those countries to develop and strengthen their administrative systems in this field. The committee also stressed the role of consumer organisations in ensuring proper, independent representation of consumers in the EU, but pointed out that in the new Member States non-governmental, non-profit-making organisations often did not have the necessary own capital, that fundraising was not adequately developed, and that consumers themselves were unwilling to contribute to such organisations out of their own pockets "on account of the enduring belief that the state alone is responsible for protecting consumers". MEPs also observed that Commission requirements for obtaining project grants were "strict and difficult to meet" for such under-funded organisations, and called on the Commission to examine whether such criteria could be made more flexible. Parliament and the Council, as the budgetary authorities, were encouraged to devote more money to enhancing consumer protection in the new Member States.

The Commission was also urged to support awareness-raising campaigns and training programmes for consumer organisations and their staff. One such campaign should be aimed at preparing consumers for the adoption of the Euro in the new Member States, building on both the positive and negative experiences of the adoption of the Euro among the old Member States. MEPs also underlined the need for cooperation between organisations in the new and the old Member States - be it through twinning projects, mentoring projects or other knowledge-sharing programmes.

Lastly, the report recommended that the new Member States widen the use of Alternative Dispute Resolution (ADR) mechanisms by developing state-supported mechanisms and encouraging the establishment of private complaint boards in specific sectors.

The promotion and protection of consumers' interests in the new Member States

The European Parliament adopted a resolution based on the own-initiative report drafted by Henrik Dam KRISTENSEN (PES, DK) on the promotion and protection of consumers' interests in the new Member States. The resolution was adopted by 512 votes in favour to 22 against with 10 abstentions. (Please see the summary of 22/11/2005.) Parliament stated that the internal market would not function properly if consumers are less well protected in some Member States than they are in others. A high common level of consumer protection across the Member States will promote cross-border transactions and will ensure that consumers take advantage of the internal market.

Legislative framework: Whilst the new Member States have a good record in terms of transposition of the *acquis communautaire*, Community legislation must also be effectively applied in practice and enforced. Parliament called for the strengthening of market surveillance structures in the new Member States so that products and services circulating on their territory. Strengthening consumer protection for children and other vulnerable groups should be a particular focus. Parliament also called on the Commission to help improve the performance of, and coordination between, supervisory bodies in both the old and the new Member States, including cross-border mutual cooperation between them.

Consumer culture: The creation of a "consumer culture" based on a higher level of consumer awareness is essential for better enforcement and application of the existing legal framework. Parliament underlined the vital role that consumer organisations, consumer protection authorities and business organisations play in strengthening this consumer culture, and called on the Commission to draw up a specific strategy to encourage the development of a consumer culture in the new Member States.

Consumer organisations: The Commission is asked to assess the possibility of defining parameters at Community level for what is meant by a "representative consumer association or organisation", to ensure that consumers in the EU are properly and independently represented. The old Member States must continue their commitment to support consumer organisations, and new Member States are asked to ensure that consumer organisations, which are representative, are adequately financed, whilst still having their independence. The requirements fixed by the Commission for obtaining grant support are strict and difficult to meet for consumer organisations in the new Member States and the Commission is asked to examine whether these requirements could not be made more flexible, including whether the work of volunteers could be regarded as being part of the financial contribution. Parliament emphasised that strong and independent consumer organisations provide the basis for an effective consumer policy, and felt that individual consumer organisations must be strengthened financially, and objective and publicly available assessments of the quality of their performance must be produced.

Business organisations:Parliament encouraged business organisations in the new Member States to work closely with consumer organisations and to establish voluntary standards of ethical business practices with transparent and effective enforcement procedures, consumer and business educational programmes and fair and effective Alternative Dispute Resolution (ADR) processes. The new Member States should encourage and support these initiatives.

Consumer protection authorities:The lack of a well-functioning administration in the field of consumer protection, as seen in some of the new Member States, is a serious obstacle to securing a high level of consumer protection. Member States' consumer protection authorities, business organisations and consumer organisations should work in close cooperation to promote consumer protection, since the smooth running of the market is in the interests of all parties concerned.

Consumer information:Parliament made various suggestions about providing information to consumers. Consumer awareness should be given a higher priority in school curricula throughout Europe, and start-up funds be made available to those centres that provide consumers with cross-border information between old and new Member States, particularly in border regions. New Member States must strengthen the provision of information to consumers and businesses regarding their rights and the existing legal framework on consumer policy, in particular by putting in place user-friendly web portals as well as awareness-raising campaigns, surveys, conferences, and information points using national and regional networks.

Dispute resolution: Parliament called on the Commission and the new Member States to extend the European Consumer Centres Network (ECC-Net) by involving independent consumer organisations in order to provide consumers with information on available ADR schemes, as well as legal advice and practical help in pursuing complaints by these means. Parliament suggested that the Commission undertake a comprehensive study on the existence and functioning of ADR organisations to identify the need for other initiatives and support at EU level, which could supplement ECC-Net and which could also be better targeted at the specific situation of the new Member States.