Procedure file

Basic information		
INI - Own-initiative procedure	2008/2057(INI)	Procedure completed
Consumer scoreboard		
Subject 4.60 Consumers' protection in general 8.50.01 Implementation of EU law		

ommittee responsible	Rapporteur	Appointed
MCO Internal Market and Consumer Protection		25/03/2008
	PSE HEDH Anna	
ommission DG	Commissioner	
∧ c	Internal Market and Consumer Protection	Internal Market and Consumer Protection PSE <u>HEDH Anna</u> ommission DG Commissioner

Key events			
29/01/2008	Non-legislative basic document published	COM(2008)0031	Summary
13/03/2008	Committee referral announced in Parliament		
07/10/2008	Vote in committee		Summary
14/10/2008	Committee report tabled for plenary	A6-0392/2008	
17/11/2008	Debate in Parliament	F	
18/11/2008	Results of vote in Parliament	<u> </u>	
18/11/2008	Decision by Parliament	T6-0540/2008	Summary
18/11/2008	End of procedure in Parliament		

Technical information	
Procedure reference	2008/2057(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54; Rules of Procedure EP 54-p4
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/60369

Documentation gateway						
Non-legislative basic document	COM(2008)0031	29/01/2008	EC	Summary		
Committee draft report	PE409.705	22/07/2008	EP			
Amendments tabled in committee	PE412.216	17/09/2008	EP			
Committee report tabled for plenary, single reading	A6-0392/2008	14/10/2008	EP			
Text adopted by Parliament, single reading	<u>T6-0540/2008</u>	18/11/2008	EP	Summary		
Commission response to text adopted in plenary	<u>SP(2009)400</u>	10/03/2009	EC			

Consumer scoreboard

PURPOSE : Commission Communication on monitoring consumer outcomes in the single market: the Consumer Markets Scoreboard.

CONTENT : it is recalled that one of the main conclusions of the Commission?s communication on the single market review is that the market has to be more responsive to the expectations and concerns of citizens and more able to adjust to the challenges of globalisation. Policies need to be more evidence-based and outcome-oriented. Evidence on the performance of the single market for consumers is, however, largely absent at present. Developing the indicators to better monitor this demand-side aspect of the single market is, therefore, key to the new Commission approach. The Consumer Markets Scoreboard will contribute to the general monitoring exercise by trying to detect those cases where signs of market malfunctioning are linked to unsatisfactory conditions of the consumer environment. The data gathered will not only help deliver a better consumer policy, but will feed through to all policies that affect consumers, ensuring the better integration of consumer interests into all EU policies.

The Communication discusses need for a clear distinction to be drawn between the **screening and analysis phases of monitoring**, and the significance of each phase. The first Consumer Markets Scoreboard sets out the indicators needed for screening consumer markets and the institutional framework in which markets and consumers operate. Complete and comparable data on consumer outcomes are largely absent. This first Scoreboard presents existing data and suggests ways of filling the extensive gaps.

The main characteristics of consumer markets can be captured through five main indicators.

These are complaints, price levels, satisfaction, switching and safety. These indicators are discussed in the document. The five indicators will provide much information about how a particular market is working. Analysis phase market studies will, however, need to collect all relevant data with a view to better understanding the causes of market malfunctioning. Where the scoreboard reveals evidence of problems common to markets, this may call for horizontal analysis across different markets. Similarly, analysis of the indicators along national lines may help national authorities or consumer organisations identify specific problems in their country and carry out further analysis. The document gives examples of issues to study in more detail in the analysis phase.

The Commission points out that **the first scoreboard is embryonic**. The available data for the indicators is inadequate: most of the indicators are only available for a very limited number of sectors and the data are not always available for all Member States, nor are they always comparable.

There tends to be a lack of data on consumer outcomes in relation to other EU policies that affect consumers, with the exception of areas where EU policies overlap with markets, for example, telecommunications price data and data on transport safety. The current data are too limited ? in particular with regard to the number of sectors ? to give an indication as to which markets are functioning better than others. For this reason the first scoreboard is presented by indicator rather than by sector. While the first Scoreboard focuses mainly on services, future scoreboards will cover more goods markets.

The EU retail internal market is far from being integrated. European consumers still tend to buy goods or order services in their own country. Though there are a number of structural barriers such as language or consumer protection law, these do not have the same negative impact in all countries. As one might expect, consumers in small, central countries tend to buy more from foreign suppliers than consumers in peripheral countries.

The consumer environment differs substantially and with regard to many aspects across Member States. Trust in the national consumer protection system, in the national authorities dealing with consumer affairs, in independent consumer organisations, or in providers to protect consumers' rights varies from 30% to over 80% across Europe. Dispute resolution is thought to be easier in some countries than in others. There are also important differences with respect to the level of understanding of information, or the amount of public funding consumer organisations receive.

Above all, this first scoreboard shows the need to collect new data sets and evidence for future scoreboards. This gathering of data will be carried out in collaboration with interested stakeholders in Member States such as consumer authorities, industry bodies, consumer associations and statistical offices. Special attention will be given to collecting data for all 27 Member States. Immediate follow-up activities will focus on:

-comparable price data for a substantial number of products in cooperation with Eurostat and national statistical offices;

-developing a methodology to classify complaints in a more harmonised manner across Member States;

-adapting the satisfaction methodology and carrying out satisfaction studies in additional sectors;

-further developing the indicators and integrating the scoreboard into the market monitoring exercise and the Single Market Scoreboard. The future Internal Market Scoreboard will provide indicators on economic performance, competition, market integration, innovation, and more generally on citizens' benefits.

The shift in policymaking away from an instrument-led approach to an outcome-led approach with a focus on consumer outcomes is ambitious and calls for an important change in the work of policymakers. The programme outlined above will require a considerable effort on the part of policymakers and stakeholders.

The Committee on the Internal Market and Consumer Protection adopted an own-initiative report drafted by Anne HEDH (PES, SE) on the Consumer Markets Scoreboard.

MEPs stress the importance of enabling citizens to benefit fully from the benefits of the Internal Market, and see the Scoreboard as an important tool to this end. They welcome the five main indicators in the Scoreboard in relation to complaints, price levels, satisfaction, switching and safety. They stress that when a satisfactory level of development of the five basic indicators of the Scoreboard is reached, new indicators should be drawn up in order to make the Internal Market more responsive to the expectations and concerns of citizens.

Developing the indicators: taking the view that an indicator related to complaints is essential to understand consumer satisfaction, MEPs call on the Commission and the Member States to work towards a harmonisation of the complaint classification systems used by the competent authorities and relevant consumer assistance services in the Member States and at Community level and to establish an EU-wide database of consumer complaints.

The Commission is invited to develop indicators relating to cross-border judicial proceedings and compensation for damage suffered by consumers, through judicial and extrajudicial means of redress, as well as through existing national redress mechanisms. According to the report, the Scoreboard should include price indicators, as prices are of key concern to consumers as well as indicators relating to consumer literacy, skills and age (for example level of education, computer literacy and foreign language skills).

Recalling that ethical and environmental concerns are of increasing importance for consumers, MEPs invite the Commission to look into the possibility of measuring the availability of information relating to such concerns in different markets.

Improving the information base: the report underlines the importance of close cooperation between the statistical offices of the Member States, Eurostat and other Commission services in ensuring the quality and completeness of figures.

MEPs encourage Member States to explore the merits of establishing a special Consumer Ombudsman. They call on the Commission, in cooperation with the Member States, to ensure that European consumer information centres are given greater resources and are properly staffed in order both efficiently to solve the increasing number of consumer cross-border complaints and to shorten handling times for such complaints.

Lastly, the Commission and the Member States are called upon to raise awareness of the Scoreboard, inter alia by ensuring that it is easily accessible and visible on relevant websites, and to increase efforts to promote the Scoreboard to the media, public authorities and consumer organisations.

Consumer scoreboard

The European Parliament adopted, by 643 votes to 16 with 17 abstentions, a resolution on the Consumer Markets Scoreboard.

The own-initiative report had been tabled for consideration in plenary by Anne HEDH (PES, SE) on behalf of the Committee on the Internal Market and Consumer Protection.

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Raise awareness of the Scoreboard: the Commission and the Member States are called upon to raise awareness of the Scoreboard, inter alia by ensuring that it is easily accessible and visible on relevant websites, and to increase efforts to promote the Scoreboard to the media, public authorities and consumer organisations. MEPs emphasise that while the two Scoreboards ? Internal Market and the Consumer Markets - are interlinked and it is important to promote their coherent development, they have different target audiences and hence should be kept separate, with different sets of indicators.