Luxembourg Presidency of the European Union

BEUC priorities

2015
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The European Consumer Organisation (BEUC) is the umbrella organisation for 41 independent consumer organisations in 31 European countries. Our mission is to represent and promote consumers’ interests to EU decision makers in all consumer-relevant areas that match our members’ strategic priorities. Our member in Luxembourg is ULC, l’Union Luxembourgeoise des Consommateurs.

In this Memorandum for the Luxembourg Presidency of the Council of Ministers, BEUC highlights the most pressing consumer expectations for the European Union, makes concrete proposals on how the Luxembourg Presidency can work towards successful consumer policies, and finally urges the Council of Ministers and the European Parliament to legislate in favour of consumers.

The European Commission has already launched several of President Juncker’s key initiatives this year, notably the Digital Single Market package, the Energy Union and the Capital Markets Union. BEUC will follow these initiatives attentively.
Digital Single Market

The package comprises many key topics such as the pending update of EU personal data protection rules, an upcoming review of copyright laws, and imminent measures on consumer e-commerce purchases.

Energy Union Strategy

An energy strategy for the EU should follow a consumer-centric approach and promote sustainable products and services.

Telecoms Single Market

A true Single Market would abolish roaming costs and protect consumers’ rights to access the open internet.

Data protection reform

The protection of personal data in the online world is a key concern for European consumers. The pending reform needs to apply very high standards in order to re-establish consumer control over personal data, thus boosting consumer confidence in the Digital Single Market.

Food Safety

Several key food-related subjects will be negotiated during the Luxembourg Presidency. Improving food inspections (the Official Controls proposal) and restrictions on antibiotic use in livestock are essential objectives in making our food safer.

Product Safety and Market Surveillance

The pending review of this legislative package is urgently needed in order to limit consumer exposure to unsafe products and improve market surveillance.

Medical Devices

Safety standards and consumer confidence in connection with medical devices need improvement and strengthening.

Transatlantic Trade and Investment Partnership (TTIP)

The EU/US trade negotiations must guarantee EU consumer safeguards as a precondition for potential benefits for consumers.

We hope that progress will be made on these and other initiatives mentioned in our Memorandum under the Luxembourg Presidency, with the aim of delivering clear benefits to European consumers.

We wish Luxembourg a most successful Presidency.

Monique Goyens
BEUC Director General

Örjan Brinkman
President
Transatlantic Trade and Investment Partnership (TTIP)

Why it matters to consumers

The aim of the transatlantic trade deal between the EU and the US (TTIP) is to boost growth and to create new jobs by removing tariffs and non-tariff barriers, thus facilitating trade in goods and services and increasing investment flows.

Increased trade with the US market could bring several advantages for European consumers. However, differences in EU and US regulations in areas as diverse as food, chemicals and the protection of personal data have prompted concerns that a reduction of non-tariff barriers could be to the detriment of European consumers.

State of play in legislative procedure

In June 2013, the Council of the European Union gave the European Commission the mandate to formally start trade negotiations with the United States. Since then, nine rounds of negotiations have taken place between the parties. The Commission also set up an Advisory Group in 2014 to facilitate a dialogue with civil society organisations.

The European Parliament is expected to adopt a resolution in 2015 that will assess the progress of the negotiations and provide recommendations for EU negotiators.

Recommendations for the Presidency

Negotiations must take place in consultation with the Trade Policy Committee of the Council of the European Union (TFEU Art. 207.3). Member States have the power to give input throughout the course of the process and to shape the final output.

We call on the Luxembourg Presidency to ensure that the transparency of the negotiations is continuously improved, and that EU consumer, health, environmental, labour and safety standards are safeguarded.
What we need to succeed

• More openness and public accountability around the TTIP and other trade negotiations is necessary. We welcome the efforts of the Council and the European Commission to improve transparency; this should be supplemented by granting access to consolidated negotiations texts. Moreover, the transparency initiative should be applied not only to TTIP but also to other ongoing negotiations such as the Trade in Services Agreement (TiSA). We also believe that a proper public consultation on the future EU Trade and Investment Strategy is necessary.

• While investments deserve proper protection, the Investor-State Dispute Settlement (ISDS) mechanism has proven to be a fundamentally flawed system which, despite all attempts at improvement, allows challenges to public interest policies, imposes financial burdens on national governments, and discriminates against domestic investors. Although we welcome reflection on the reform of the system, we still think it unjustifiably favours foreign companies and runs the risk of discouraging Member States from taking legislative action. We call on the Luxembourg Presidency to push for alternatives to ISDS. ISDS, even reformed, should not be included in the agreement.

• Creating a dialogue between regulators and avoiding unnecessary duplications (for example with factory inspections) could benefit consumers. However, we are concerned that this is not the focus of the EU negotiation proposal. We believe that the scope of the horizontal chapter on regulatory cooperation is too broad, and should be restricted to technical procedures and only to the sectors covered by the agreement. A structured dialogue between regulators should not imply an increase of costs or administrative burdens. More importantly, it should not induce regulatory chill.

• The European Commission and the Member States should aim for an ambitious deal that ensures the protection of consumer, environmental, labour, health and safety standards, and should refuse compromises that will lead to the lowering of these standards or create future obstacles to improving them. Specific rules should be included in the agreement to ensure that standards will not be lowered. We request that EU Member States and the European Parliament closely monitor the progress of the negotiations in order to raise a timely objection to any provision in the agreement that would lead to consumer detriment.

BEUC’s ADDITIONAL SOURCES

- Position paper on TTIP
  BEUC-X-2014-031

- Infographic on regulatory cooperation
  BEUC-X-2015-035

- Position paper on Food & TTIP
  BEUC-X-2014-030

- Position paper on Transparency & Engagement in the TTIP negotiations
  BEUC-X-2014-080

- Factsheet on Investor-State Dispute Settlement
  BEUC-X-2014-045

- Factsheet on Food and TTIP
  BEUC-X-2014-057

- BEUC position on the Future Trade and Investment Strategy
  BEUC-X-2015-060

- BEUC Response to the EC public consultation on ISDS and investment protection
  BEUC-X-2014-050

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Digital Single Market

Why it matters to consumers

A well-functioning Digital Single Market (DSM) can provide consumers with a wider choice of goods, services and digital content.

Despite the fact that the huge majority of consumers are online, they still face barriers that prevent them from fully profiting from the digital market. Bottlenecks are caused for example by uncompetitive business practices that segment the market; by geo-blocking techniques; by the lack of a clear legal framework for the distribution and consumption of online content; and by the poor enforcement of consumer rights. These stumbling blocks prevent consumers from benefitting from the internal market and, as a consequence, from contributing to the growth of Europe’s digital economy.

State of play in legislative procedure

Creating a Digital Single Market for consumers and businesses was declared the number one priority by European Commission President Juncker in May 2015. In May of this year, the European Commission unveiled its strategy for the Digital Single Market, announcing a number of legislative and non-legislative proposals to unleash the potential of Europe’s digital economy. In total, the strategy includes 16 initiatives grouped under three pillars. For European consumers, the most important initiatives are the following: the reform of the copyright regime; the review of the Audiovisual Media Services Directive and the Satellite and Cable Directive; a comprehensive analysis of the role of platforms in the market including illegal content on the internet; the review of the ePrivacy Directive; legislative proposals to reform the current telecoms rules; proposals to tackle unjustified geo-blocking; a review of the Regulation on Consumer Protection Cooperation; and legislative proposals for simple and effective cross-border contract rules for consumers and businesses.

Recommendations for the Presidency

We ask the presidency to adopt a consumer-centric approach by providing a consumer policy perspective for each relevant measure in its discussion of the DSM Strategy.
What we need to succeed

- The creation of a competitive Digital Single Market in which EU antitrust rules are consistently applied. This will prevent business practices that segment the market and reduce consumer choice whilst increasing prices.

- The boosting of consumer confidence in the online environment through the addressing of consumer e-commerce concerns including high cross-border delivery costs, fears of fraud, and lack of redress.

- As a matter of priority, geo-blocking and other discriminatory practices that prevent consumers from accessing products across the EU must be addressed by ensuring effective enforcement of the principle of non-discrimination within the Services Directive.

- Guaranteeing that the revision of European rules applicable to the audiovisual sector takes consumers’ interests into account by enabling cross-border access of content across the EU.

- Ensuring that the reform of the copyright framework will recognise modern uses of copyrighted works: for example, via user-generated content or format shifting.

- Ensuring that there is a modern and effective regulatory framework in place to address consumers concerns in emerging forms of consumption, such as within the sharing economy and cloud-based services.

- The creation of a legislative framework for telecommunication services that encourages competition and market access whilst guaranteeing a solid set of contractual rights for consumers.

- Ensuring that consumers are effectively protected in the digital environment through a consistent enforcement policy that takes into account the challenges of a globalised economy in which companies operate simultaneously in different member states.

- The creation of a solid regulatory framework for business-to-consumer e-commerce in Europe that protect consumers against the specific risks of the digital environment such as fraud and data breaches. The adoption of new legislation for digital content products that provides consumers with specific rights in case the product is sub-standard or defective.
Revision of the Air Passengers Rights Regulation

**Why it matters to consumers**

The existing Air Passenger Rights Regulation (No 261/2004) significantly improved the status of passengers through the granting of basic rights. However, enforcement of these rights has been toothless and inconsistent. Problems remain widespread, and consumer complaints of poor compliance have risen steadily.

Passengers are often left with the sole alternative of taking legal action against non-compliant airlines, although few are able to do so. The volume of cases before the Court of Justice of the European Union (CJEU) in recent years clearly shows the need to clarify fundamental aspects of the Regulation in order to ensure that passengers can more easily enforce their rights. However existing rights should not be weakened, and the CJEU rulings should be codified in EU law.

**State of play in legislative procedure**

BEUC gave a mixed welcome to the European Commission’s spring 2013 proposal for the updating of Regulation 261/04 on Air Passenger Rights. Our reservations centred on the weakening of some of the existing rights (mainly compensation and accommodation in “extraordinary circumstances”).

The European Parliament’s first reading opinion adopted in February 2014 significantly improved the Commission’s proposal on nearly every issue. The main achievements were the prohibition of “no-show clauses” on all return flights and the exclusion of most “technical problems” from the scope of “extraordinary circumstances”, as well as more re-routing options (for example following a delay and a subsequent missed connection).
Recommendations for the Presidency

The negotiations in the Council have been deadlocked for over a year. We thus urge the Luxembourg Presidency to make every possible effort to unblock the negotiations as a matter of urgency, and to work to ensure the best outcome for European consumers by drawing on the progress made by the European Parliament.

What we need to succeed

- Airlines should start compensating passengers starting from three hours of delayed arrival as per the Sturgeon CJEU ruling.
- The right to compensation should not depend upon the passenger’s requesting it, nor does the passenger’s being informed of a delay or cancellation in advance nullify this right.
- The new Regulation should include an outright ban on airlines denying boarding of a connecting or return flight when a passenger has not taken or has missed the outbound leg (i.e. “no-show clauses”). The majority of “technical problems” should not qualify as “extraordinary circumstances”.
- The general right to accommodation in extraordinary circumstances needs to be maintained or reduced only in line with the European Parliament’s first reading opinion (five days of accommodation).
- The right of passengers to file complaints with airlines should not be time limited.
- Re-routing should be granted as soon as possible and involve alternative means of transport (the 12 hour timescale should be omitted). The right to re-routing should also be granted to passengers who are subject to long delays.
- Mandatory guarantees against airline insolvencies covering the reimbursement and repatriation of passengers should be introduced, as was demanded by a European Parliament resolution.
- Passengers should have the right to transfer their tickets to another person should they not travel (e.g. for package travellers).
- Advertised air ticket prices should include the following minimum services: check-in, provision of a boarding pass and one item of checked luggage. In addition to one item of hand luggage, passengers should have the right to carry other essential items and any airport retail purchases.
- Airlines should be obliged to adhere to Alternative Dispute Resolution (ADR) systems.

BEUC’s ADDITIONAL SOURCES

BEUC-X-2013-056

Position paper: Protection of Air Passengers in Case of Insolvency of Airlines
BEUC-X-2011-105

Air Passengers Rights – Revision of Regulation 261/04 – BEUC Presentation, European Parliament Transport Committee Hearing
BEUC-X-2013-038

Factsheet on Air Passengers’ Rights
BEUC-X-2014-092
New initiative(s) on consumer online purchases

Why it matters to consumers

Consumers across the EU increasingly shop online, but they still face obstacles and legal uncertainties that are partially related to the lack of legal harmonisation. This is the case when it comes to the purchasing of digital goods (online music, software, eBooks, films, etc.). Most Member States have not yet modernised their sales laws in order to tackle the particularities of this type of product, and to ensure that consumers are adequately protected when it comes to problems with for example non-conforming products.

As one of the key initiatives of the Digital Single Market strategy, the European Commission therefore announced a legislative initiative for online purchases of digital content as well as for the online sales of tangible goods. This initiative will be based on the 2011 proposal for a Common European Sales Law (CESL) Regulation, which failed in the Council of Ministers and will now be significantly changed.

BEUC welcomes this new approach and hopes for profound amendments to the CESL Regulation. While we fully support a new initiative to harmonise the rules for digital content products, we are more sceptical about new rules for tangible goods, which would apply only to online purchases. This kind of fragmentation between the online and offline worlds may lead to confusion and ‘second class’ protection for the physical world. We hope that the future proposals will provide for a truly high level of protection, and will serve as a precedent for the adaptation of the legal rules for the offline world.

State of play in legislative procedure

The new work programme of the European Commission presented in December 2014 announced that the proposed Common European Sales Law (CESL) will be withdrawn or modified to become an instrument targeted at the promotion of e-commerce for both tangible and digital goods.

In March 2015, the European Commission set up a stakeholder group that provides input into the new initiative(s) that will be taken to replace CESL. The Commission has also launched a public consultation to receive input on both initiatives, which are expected to be issued by the end of 2015.

Recommendations for the Presidency

Member States are currently being consulted by the European Commission during the preparation phase of the new proposal on online purchases. We hope that the Luxembourg Presidency will debate this issue in the Council and with stakeholders.
What we need to succeed

• BEUC hopes that the European Commission will stick to its announcement not to introduce the so-called ‘home country option’, which would mean that the trader’s law would always apply in cross-border consumer contracts. This would be a clear deterioration of the current situation, which in short stipulates that if the consumer’s national law provides for better protection than the trader’s law (or the otherwise chosen law), the consumer can benefit from this superior protection.

• It is essential that the new initiative is not based on an ‘optional’ approach, whereby it is up to traders to choose their preferred legal base (European optional law or traditional national law). We are satisfied that the European Commission has acknowledged with this new approach that optional law is not the right way forward.

• A lack of harmonisation in digital content is impairing consumers’ rights, as clearly shown by two European Commission studies published in 2011. The CESL proposal includes modern rules in this field, which can serve as a model for the new legislative initiative. We strongly support a legislative instrument to harmonise contract laws for digital products. The scope of this instrument should include digital content and services, as well as contracts which are concluded ‘for free’ on the basis of the exchange of consumers’ personal data. The recently-adopted UK Consumer Rights Bill provides for many good provisions in this field and could be used for inspiration at the EU level.

• In relation to the purchase of tangible goods, we call on the European Commission to continue modernising consumer laws by conventional methods using a holistic approach, and not to split the market and consumer rights into offline and online purchases. We would also like to stress that full legislative harmonisation should be undertaken only at the highest level of consumer protection, and that this kind of legal measure should never preclude useful, well-established consumer rights at the national level.

• In relation to the further harmonisation of unfair contract terms, we ask that this be postponed until next year’s deliberations in the framework of REFIT programme. In the meantime, an interpretative guide that illustrates and compiles the groundbreaking case law of the European Court of Justice approved in the past few years on this Directive would be very useful.
Consumer rights enforcement across Europe & across borders

Why it matters to consumers

Enforcement is a major consumer policy priority for the EU, as attested by the EU Consumer Programme 2014-2020 and the European Commission’s Consumer Agenda. Increasingly, European consumers face infringements of a pan-European nature and tackling such unfair commercial practices via separate national strategies is no longer an adequate option.

Giving European consumers new or improved rights is not worth much if these rights cannot be properly enforced. If the Single Market is to deliver for consumers, ways must be found to effectively tackle national, cross-border and pan-European infringements and guarantee coherent results.

State of play in legislative procedure

The European Commission is rightly seeking ways to improve enforcement throughout the EU. The 2006 Consumer Protection Cooperation Regulation created a network of national enforcement authorities and gave them powers to investigate cross-border infringements. The review of this regulation has been declared to be a part of the Digital Single Market strategy.

The CPC (Consumer Protection Cooperation) Network is composed of national enforcement authorities. They coordinate enforcement activities, and have more recently started issuing ‘joint enforcement positions’ on problematic sectors (for example ‘in app’ games or car rental services). BEUC calls on national enforcers to involve consumer organisations in this important work.

Recommendations for the Presidency

The previous European Commission announced an ‘enforcement dialogue’ with stakeholders, among them consumer organisations. We hope that under the Luxembourg Presidency the strengthening of this enforcement dialogue will be the subject of further discussion amongst ministers and enforcement authorities, and that consumer organisations will be properly involved in this important process. A discussion should also be launched about the possibility of a more centralised European cooperation procedure, one with an active investigative and perhaps even enforcement role for the European Commission.
What we need to succeed

- Valuable, constructive, relationship-building and information-sharing measures between consumer organisations and national enforcers should be prioritised as a prerequisite for the development of a new European enforcement culture.

- Consumer organisations should be considered genuine partners at the national level and should be involved in coordination work at the EU level. In order to fight European infringements, a discussion on the European Commission’s enforcement powers when it comes to consumer rights should be launched.

- The operations and visibility of the CPC network should be improved. The law infringement alert system should be made more efficient, and should be open for consumer organisations to submit alerts. A feedback mechanism on reactions to alerts should also be introduced. National enforcers must have adequate resources and more investigative powers in order to effectively combat cross-border infringements.

- Even more important, and necessary to complete the system, national enforcers must be enabled to facilitate redress, both individual and collective, for consumers. Consumer harm should be taken into account in the investigation, and authorities should have the power to demand that compensation be paid by the infringing party to the victims.

- Alternatively, CPC authorities should facilitate victims’ access to justice by making their files accessible. This would allow the victims or their representatives to have evidence of the infringement and the harm caused. Fines paid to authorities, if not re-distributed to victims, should be made available for the work of consumer organisations or projects that benefit consumer organisations.
Luxembourg Presidency

Insurance Mediation Directive II

Why it matters to consumers

Insurance represents an ever-increasing proportion of household budgets, and can equal up to a month’s average income. Yet an insurance contract is an immaterial legal product intended to cover risks which rarely occur. Therefore, insurance mediation is of particular importance in helping consumers make appropriate and effective choices.

State of play in legislative procedure

In July 2012, the European Commission proposed a revision of the Insurance Mediation Directive with the goal of upgrading consumer protection in the insurance sector. Key improvements included a better disclosure of the status and remuneration of the insurance provider, a prohibition on tying practices, and a partial alignment with the Markets in Financial Instruments Directive (MiFID) for insurance-based investment products. However, the scope of the proposal fell short as it exempted many smaller types of insurance and did not oblige intermediaries to provide consumers with a standardised product information sheet explaining the key features of their contracts.

In February 2014, the European Parliament adopted its first reading opinion supporting the consumer-friendly provisions proposed by the European Commission. The downside was that many smaller policies (e.g. for mobile phones) fell outside the scope of the Directive, leaving consumers without protection.
Recommendations for the Presidency

The Council’s General Approach adopted in November 2014 includes both positive and negative points for consumers. We urge the Luxembourg Presidency to speed up the inter-institutional dialogue, which has to date progressed slowly, with the aim of adopting the best possible legal framework to protect consumers taking out an insurance policy.

What we need to succeed

• BEUC strongly supports the fact that, according to the Council’s General Approach, all ancillary insurance plans will have to comply with basic information and conduct-of-business requirements. This will include small insurance policies covering for example mobile phone loss.

• Introducing product and governance requirements (e.g. stress tests for products, target group assessments) is important in avoiding consumer detriment as they encourage insurance undertakings to create products that truly address consumers’ needs.

• The tying and bundling of insurance products, which hampers consumer choice and mobility, should be restricted as was set out by the original European Commission proposal and confirmed by the European Parliament amendments.

• Consumers should be informed about profits earned by salespeople in order to reduce the detrimental problem of conflict of interest. Not only the type, but also the amount of commissions and fees should be disclosed to consumers.

• Life insurance with investment elements (e.g. unit-linked contracts) require the same regulatory regime as other substitutable investment products covered by MiFID. In this perspective, inducements should only be allowed should they enhance the quality of service for consumers.

For more information: financialservices@beuc.eu
Telecoms Single Market

Why it matters to consumers

Telecom markets remain an important sector of concern for all European consumers, as general satisfaction with telecom services remains low. In an ever more interconnected world, consumers spend increasing amounts of time and money on the internet, connecting with others at home and abroad, and leading more digital lives. Much remains to be done in order to establish a real Single Market that consumers can benefit from. Telecom markets still fail to deliver on the most important issues to consumers: guaranteeing a high level of consumer protection; securing the right to access the open internet; and eliminating geographic barriers.

State of play in legislative procedure

The European Commission’s proposal to establish a Telecoms Single Market, issued in September 2013, is an ambitious initiative. It tackles very important consumer issues such as updating the consumer rights framework for telecoms, ending retail roaming, and ensuring that the principle of net neutrality be protected at the EU level.

In April 2014, the European Parliament adopted an opinion at first reading determining that the update of the consumer rights framework in the telecoms sector should happen by way of revising the Universal Service Directive and on a minimum harmonisation basis. BEUC fully agrees with this approach. Equally importantly, the European Parliament’s report is ambitious on vital issues such as protecting the open internet and the abolition of roaming charges.
Recommendations for the Presidency

Throughout the first half of 2015, Member States agreed on an informal negotiating mandate based exclusively on the issues of roaming and net neutrality. The positions forming the basis of negotiations between the Latvian Presidency and the Parliament have shown an unacceptable lack of ambition on both issues.

We urge the Luxembourg Presidency to do its utmost to achieve an agreement with a clear focus on consumer interests. The European Parliament report provides a good basis for reaching an inter-institutional agreement.

What we need to succeed

• A Telecoms Single Market for consumers means that geographical barriers such as roaming charges must be removed for all European mobile consumers as a matter of priority by the end of 2016 at the latest. Any limitations on the general ‘roam like at home’ principle must be carefully analysed and considered. It is also urgent that wholesale roaming charges be significantly reduced or abolished in order to avoid undesired impacts on competition.

• The articles that guarantee access to an open and neutral internet must be significantly improved in order to ensure that no legal loopholes remain. The prohibition on discrimination between internet traffic must apply to all traffic, and not just to some of it. The provisions that aim to shield a ‘best-efforts’ internet market from unwarranted access from ‘specialised services’ must be strengthened. The text adopted in the European Parliament should be used as the basis for discussion, and should be complemented by further provisions on issues related to positive discrimination and zero-rating of specific internet content.

• Although the European Parliament and Member States decided to negotiate only on net neutrality and roaming, we believe that an update of the Universal Services Directive is needed in order to improve the rights of end users in the telecommunications market.
Data protection

Why it matters to consumers

Although beneficial to consumers, digital information technologies and the emergence of new services also represent a major challenge to their fundamental rights of privacy and personal data protection. It is important to provide consumers with a secure digital environment that they can trust, including effective control of their personal data.

State of play in legislative procedure

In January 2012, the European Commission proposed a Regulation to replace the current 1995 Directive, aiming to ensure a uniform set of rules across Europe, while strengthening the rights of individuals and facilitating the flow of personal data across borders. BEUC welcomes the numerous positive elements of this proposed Regulation.

In March 2014, the European Parliament adopted the first reading opinion with near unanimity. The outcome of the Parliament’s vote was positive, as MEPs strengthened key provisions of the proposal. In particular, the definition of personal data remains broad, while the new rules will apply to all companies offering services to EU consumers or monitoring their behaviour. The principles for processing and collecting, including transparency, data minimisation and purpose limitation, have been strengthened. The rights to data portability and erasure have been maintained. The European Parliament also introduced strong safeguards with regards to the transfer of data to third countries, and established multiple means for consumer redress.

Recommendations for the Presidency

In June 2015, the Council adopted a General Approach on the General Data Protection Regulation. We are concerned by several of the modifications introduced by the Council, particularly with the inclusion of the legitimate interests of the data controller as a ground for the further processing of personal data for purposes that are incompatible with the purpose specified at the time of the initial collection of the data. Other important provisions related to key issues such as the rights of the data subject, sanctions and consumer redress have also been weakened by the Council. We urge the Luxembourg Presidency to do its utmost during the trilogue negotiations to achieve a high level of protection for the welfare of European citizens and for a well-functioning Digital Single Market. The Parliament report adopted in March 2014 provides a good basis for an agreement.
What we need to succeed

- The European Parliament has adopted a definition of personal data that is sufficiently broad and flexible in light of the rapidity of ICT developments. ‘Pseudonymised’ data should not be exempt from the scope of the Regulation, as it relates to identifiable individuals and therefore falls within the scope of the draft Regulation. The Council should not transform ‘legitimate interests’ into a catch-all category. They should only be a last resort, for example when no other legal grounds are available, and the data controller should prove that its interests override those of the data subject.

- As regards the principle of purpose limitation, the European Data Protection Board should be entrusted with the task of defining criteria to assess the compatibility of further processing with the original purpose for which data was collected. With regard to profiling measures, the Council should ensure that consumers are informed about the possible consequences and effects this could have on them. Consumers should at all times be able to object to the processing of their personal data for profiling purposes. Furthermore, the legitimate interests of the controller cannot be accepted as legal grounds for profiling.

- The dual system of notification of data breaches must be maintained. According to this system, the data protection authorities need to be notified of all breaches whereas individuals need to be notified only of those breaches that adversely affect the protection of personal data and privacy.

- The Council should support the introduction of an amendment allowing for administrative and judicial injunction actions by consumer associations for compensation for harm or loss suffered in the wake of data protection infringements, and where appropriate obtain compensation for consumers.
Copyright reform

Why it matters to consumers

A dynamic, fast-evolving market – such as the one for online content – requires a flexible legal framework that allows for new and socially valuable uses. The Copyright Directive dates back to 2001, preceding mass usage of the internet, and thus has not kept pace with technological developments. As a result, everyday activities such as backing up, the domestic copying of legally bought music, films and e-books to play on a different devices, or posting a family video with background music on a social network could be legal in one country and illegal in another. This is due to the discretion of Member States in defining exceptions and limitations to right holders’ exclusive rights (e.g. in the case of private copying for format shifting and ‘back up’). Furthermore, any notion of consumer rights is absent from the existing copyright framework.

Additionally, current systems for copyright levies are unfit for the digital environment, and create burdens for consumers, manufacturers, importers, retailers and, ultimately, for the digital single market as a whole. There is an urgent need to bring more transparency and fairness to copyright levies before phasing them out altogether.

State of play in legislative procedure

As part of its Digital Single Market strategy published in May 2015, the European Commission announced a revision of the Copyright Directive to adapt it to the digital environment by September 2015.

The European Parliament is currently working on a resolution on the implementation of the 2001 copyright directive, and is considering a number of issues that should be included in the Commission’s proposal.

Recommendations for the Presidency

We urge the Luxembourg Presidency to ensure that the Council takes consumer concerns into account when debating the Commission’s proposal, particularly on exceptions, limitations and copyright levies.
What we need to succeed

• With countless new opportunities arising from the ways in which content is now accessed and distributed, the need has arisen to rethink the substantive European legal framework. This requires achieving a fair balance between the different stakeholders, as well as promoting innovation and cultural diversity.

• Copyright law must balance the incentive to create with the granting of access to works. From the consumer point of view, the current copyright framework is far from balanced. A number of permitted uses of copyright-protected material are only allowed as exceptions and limitations to the copyright owners’ exclusive rights.

• Copyright exceptions and limitations should be pursued in order to provide more legal clarity about what consumers are entitled to do online with copyrighted content.

• Copyright exceptions should be made mandatory, and it should not be possible for them to be overruled by contractual terms and conditions or technical protection measures (such as for example digital rights management systems).

• An open norm should be introduced for uses that cannot be foreseen at the time of adoption of the new rules in order to make the framework future proof.

• The principle of exhaustion should be applied to ‘intangible’ digital works, i.e. eBooks, music and films, so that consumers are able to borrow or resell them. This would create a secondary market for digital content and provides consumers with a greater choice of legal content.

• The current system of copyright levies should be reformed and progressively phased out. No levy should apply to works freely distributed by authors, or in cases where there is no or minimal harm to the right holder. Fees should be visible on receipts, on price tags in the shop, and on websites and electronic commerce platforms. Consumers have the undeniable right to know what they are paying for.
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Food safety: Antibiotic Resistance

Why it matters to consumers

Antibiotic resistance is a major public health threat triggered by the inappropriate use of antibiotics in both human and veterinary medicine. Without antibiotics, common infections could once again become deadly and complex interventions such as surgery would become more hazardous.

We need antibiotics that work, and it is thus critical that antibiotics are used in a responsible way. The misuse and overuse of antibiotics at the farm level must be addressed, especially as they are often given to healthy animals. Alarmingly, BEUC members found a high prevalence of antibiotic-resistant bacteria in raw meat products.

State of play in legislative procedure

In September 2014, the European Commission published two legislative proposals addressing antibiotic resistance: one a revision of legislation on veterinary medicines, and the other covering medicated feed. The publication of the two texts is part of the European Action Plan against antimicrobial resistance launched in 2011. While the primary objective of this revision is to increase the availability of veterinary medicinal products and to reduce administrative burdens, it also aims to assess the possibilities for improving the EU’s response to antimicrobial resistance.

The responsible European Parliament Committee for the proposal on veterinary medicines is ENVI (Environment, Public Health and Food Safety), while the AGRI Committee (Agriculture) is responsible for the proposal on medicated feed. The draft reports are now being discussed at committee level: a vote is expected in September, followed by a plenary vote most likely in November. In 2012, the European Parliament had already adopted an own-initiative report on antimicrobial resistance, urging EU institutions to come up with ambitious proposals and calling for a phaseout of the preventive use of antibiotics in farm animals.
**Recommendations for the Presidency**

We urge the Luxembourg Presidency to put antibiotic resistance and the revision of the veterinary medicines and medicated feed proposals high on the Council’s agenda in order to achieve a quick agreement. Public health and consumer safety should always prevail over economic interests and trade issues.

**What we need to succeed**

- As antibiotic resistance knows no borders, we need strong EU-wide rules limiting the use of antibiotics to animals that are sick, and restricting the use for livestock of antibiotics that are critically important for treating people. We want European consumers to be reassured that antibiotic use in livestock is strictly regulated. Antibiotic-resistant bacteria can threaten consumers’ health via many transmission pathways, including food.

- The European Commission proposals are unsatisfactory because they do not prohibit prophylaxis – the treatment of healthy animals with antibiotics – and they lack definitions of the different types of treatments used in veterinary medicine. In addition, it is critical to ensure that strict criteria are used in defining which antimicrobials should be restricted for livestock use because they are used as last resort treatments in human medicine, and which should not be authorised off-label (the use for unapproved indication and/or species). Member States should also commit to collecting consumption data that informs policy-makers about the type of treatments and the administrative routes used. Eventually, any economic incentive to overprescribe antimicrobials should be eliminated.

- New EU provisions should not deter Member States from setting tougher rules to restrict the use of certain antibiotics in livestock.

**BEUC’s ADDITIONAL SOURCES**

- Position paper on European Commission’s proposals to tackle antibiotic resistance in veterinary medicines and medicated feed laws  
  BEUC-X-2015-052

- BEUC campaign page ‘Can we trust our meat?’

- Position Paper: Antibiotic use in livestock: Time to act 
  BEUC-X-2014-043
Official controls on the application of food and feed law

Why it matters to consumers

Official controls guarantee that the food consumers buy and eat is safe and wholesome. Only independent controls based on sufficient funding can ensure that the highest possible standards are met. As food fraud is on the rise, it is also critical to ensure that adulterated food is covered by the new provisions. Tough penalties should ultimately be put in place to prevent, dissuade and punish those who take risks, harming consumers’ health and weakening their confidence in the food chain in the process.

State of play in legislative procedure

In May 2013, the European Commission published its proposal for a Regulation on official controls for food and feed laws, which laid out rules for how Member States should carry out controls. The Commission proposed a more sustainable financing of controls through mandatory fees for all businesses - with an exemption for micro-enterprises. To date, only certain parts of the chain are subjected to fees. The Commission also proposed minimum penalties for fraudsters.

The first reading of the European Parliament in April 2014 suggested more unannounced controls and tougher penalties for fraudsters, and had multiple references to food fraud and consumer expectations regarding the nature, quality and composition of foods. However, MEPs did not support the European Commission’s proposal to set mandatory fees. Instead, they introduced flexibility allowing Member States to choose to finance controls by way of either fees or taxes. Another disappointing addition was the extension of the exemption from financing controls to small enterprises, whereas the European Commission's proposal was to limit exemptions to micro-enterprises. As such, 90% of businesses will be exempt from contributing to costs, and only a small proportion of food companies will provide funding to food authorities.
Recommendations for the Presidency

We request the Luxembourg Presidency to do its utmost to speed up the informal trilogue negotiations in order to reach an agreement that takes consumers’ concerns fully into account and ensures the speedy advance and adoption of the proposal. While the Italian and Latvian Presidencies achieved good progress on most of the issues, it is now urgent to find agreements on the last contentious points such as funding of controls and meat inspection.

What we need to succeed

• The impartiality, quality and consistency of controls and the independence of the authorities in charge of them must be ensured. The European Parliament stressed the importance of independent and adequately funded controls, and we urge the Council to take this into account. By contrast, any proposal to delegate certain meat inspection tasks to slaughterhouse staff could severely undermine consumer confidence in meat safety. It is also critical to find an agreement on financing controls that ensures that Member States have the adequate resources to perform these controls.

• Tough penalties for fraudsters need to be agreed upon. The European Commission’s proposal that the amount of the penalty should be equivalent to the amount of anticipated fraudulent economic gain is not sufficiently deterrent, and should be reshaped. At the very least, the European Parliament’s proposal for penalties that double the amount sought from fraudulent activities should be taken into account. Greater transparency is also needed, and Member States should be encouraged to publish the results of controls and to display the rates of individual operators.

• We need to keep official controls and food fraud high on the EU agenda. These two issues should not be considered separately, and the Regulation on official controls should address the risk of fraudulent practices and make preventing food fraud a key priority. We call for the adoption of a joined-up and coherent approach to food fraud, and ask the European Commission to assess the possibility of having an EU-wide definition of food fraud.

BEUC’s ADDITIONAL SOURCES

Position paper:
EU proposal for a review of Official Controls
BEUC-X-2013-050
Food Information: Country of Origin Labelling (COOL) of processed meat products

Why it matters to consumers

Recent years have seen a growing interest among EU consumers in knowing the origin of their food. According to official European Commission figures, as much as 90% of Europeans want to know where the meat on their plates comes from: whether sold fresh as a cutlet or as an ingredient in food (e.g. sausages, nuggets, ready-made meals).

Recent frauds have reinforced consumer demand for a more transparent food supply chain. Currently, origin labelling is only compulsory for fresh beef, with the animal’s country of birth and information about rearing and slaughter required. Since April 2015, fresh pig, poultry, sheep and goat meat must indicate the animal’s country of rearing and slaughter (regrettably not the birthplace). However consumers are still given no information about the origin of meat used as an ingredient in processed foods.

State of play in legislative procedure

In December 2013, the European Commission published a report on mandatory origin labelling of processed meat. Although the report presents different scenarios and their associated costs, BEUC has questioned its reliability. A legislative proposal is needed to progress further on this important issue. In May 2015, the Commission published reports on the feasibility of mandatory country-of-origin labelling (COOL) for milk, milk used in dairy products, single-ingredient foods, unprocessed foods and foods’ primary ingredient(s).

In February 2015, the European Parliament adopted by a large majority a resolution calling on the European Commission to come forward with a legislative proposal making origin labelling mandatory for meat used in processed foods.
**Recommendations for the Presidency**

We call on the Luxembourg Presidency to keep origin labelling for processed meat on the Council agenda, and to facilitate discussions and positions among Member States in order to urge the Commission to set up an expert working group.

Moreover, we urge the Luxembourg Presidency to devote sufficient space in the Council’s agenda to discuss the Commission reports on COOL for milk, milk in dairy, and other food categories.

**What we need to succeed**

- It is important to listen to the 90% of Europeans that find it important to know where their meat comes from, and to the 70% that want to know the origin of all of their food. Origin labelling must become compulsory for meat used as an ingredient. As for the other foods for which feasibility reports have been produced (including milk, milk used as an ingredient in dairy, unprocessed foods, single-ingredient foods and ingredients that constitute more than 50% of a food), origin information must also be improved in light of the Commission reports’ findings.

- The European Commission should table legislative proposals for making origin labelling compulsory for meat used as an ingredient.
Animal cloning for food

Why it matters to consumers

EU consumers overwhelmingly disapprove of the use of cloning for food production, as reflected by two Eurobarometer surveys (2008 and 2010). A majority of Europeans said it was unlikely that they would buy meat or milk from cloned animals (regardless of whether or not it is safe to eat), and 83% said they want food from the offspring of cloned animals to be labelled if it becomes available in the EU. Cloning was the stumbling block when institutional negotiations on the Novel Foods regulation collapsed back in 2011, and it remains the most controversial issue in negotiations on the new Novel Food proposal issued in 2013.

State of play in legislative procedure

In December 2013, the European Commission published two legislative proposals dealing with the use of cloning for food production and the sale of food from clones on the European market (in parallel to a third proposal for a regulation on Novel Foods, with cloning now explicitly excluded from its scope). While they prohibit the cloning of animals for food supply in the EU, the proposals do not address the critical issue of food from the progeny (offspring and descendants) of cloned animals, though this is what is most likely to end up on consumers’ plates.

The European Parliament is currently working on its report on the Commission’s cloning proposals. Their draft report calls for a permanent ban on the use of cloning in the EU (for food production), as well as on the import of animal clones, their germinal products, their descendants and the food coming from animal clones and their descendants. A joint vote of the Agriculture Committee and the Environment, Public Health and Food Safety Committee took place in June.
Recommendations for the Presidency

We urge the Luxembourg Presidency to work towards improving the European Commission’s proposals on cloning as they fall short of European consumers’ expectations. The European Commission’s proposal on novel food excludes cloning from its scope. In the regrettable event that the proposals on novel food and cloning do not progress in parallel, there is a risk that the new novel food regulation could be adopted without rules on cloning. We call on the Luxembourg Presidency to ensure that the issues of cloning, food from clones and food from cloned animals’ offspring do not end up in a legal vacuum by introducing appropriate transitional measures in the novel food text if necessary. We also urge the Luxembourg Presidency to advance Council discussions on the cloning proposals.

What we need to succeed

- EU consumers should be able to make informed choices when it comes to purchasing and consuming food from the offspring and descendants of cloned animals. A full, compulsory traceability system for clones and their reproductive material, offspring and descendants should be established, accompanied by labelling rules for the food derived from these sources.

- At a minimum, we call for the reintroduction of the package of measures that the Council and European Parliament could have agreed upon in 2011, including traceability of clone reproductive material, live offspring and food derived from this offspring, as well as labelling requirements for fresh meat from the offspring of cloned cattle.

- Ongoing trade negotiations should not form an obstacle to the adoption of EU legislation on cloning that meets consumers’ demand for transparency on how their food is produced.

For more information:
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Revision of the General Product Safety Directive

Why it matters to consumers

Unsafe consumer products which require recall, including products bearing the CE marking, are often found on the European market. They pose an avoidable risk to the health and safety of consumers. An update of the current EU product safety rules was therefore overdue in order to ensure consumers’ wellbeing.

State of play in legislative procedure

In February 2013, the European Commission proposed a Consumer Product Safety Regulation (CPSR) and a Market Surveillance Regulation (MSR). This package contains important innovations to enhance product safety in the internal market, such as rules on more effective product traceability throughout the supply chain.

In April 2014, the European Parliament adopted its first reading opinion on the package of both proposals, which included several positive elements such as the setting up of an EU-wide incident and injury database, stronger sanctions, and penalties against liable traders and producers. Parliamentarians also strengthened the precautionary principle, which ensures the withdrawal of potentially unsafe products from the market based on a justified assumption that a product is dangerous. The European Parliament maintained the controversial obligation for a mandatory country of origin labelling.

Recommendations for the Presidency

In the Council of Ministers, negotiations have long been at a stalemate due to Member States’ divergent opinions on country of origin labelling for products, which is neither a safety-related topic nor a priority for consumers and could safely be taken out of the proposal. Despite the spring publica-
tion of a new study on the impact of country of origin labelling of products, ministers were unable to agree on a way forward in May 2015. The Luxembourg Presidency will thus have a crucial role to play in working towards a solution for the adoption of an overall package. We urge the Presidency to aim for the highest level of protection for European consumers.

What we need to succeed

• BEUC calls for the use of the precautionary principle as a cornerstone for the Regulations on consumer product safety and market surveillance. Policymakers need to be able to act to prevent dangers, even in the absence of absolute scientific proof. We insist that in managing risk, the final call for what constitutes an ‘acceptable’ level of risk must remain a political responsibility. This principle should be clearly reintroduced in the Regulation.

• The focus of the revision should be on the most effective traceability instruments, such as indicating a batch, type or serial number; indicating the full address of the manufacturer and importer on the product or packaging; implementing the ‘one up, one down principle’ as exists with food; and empowering the Commission to adopt additional traceability requirements in certain justified cases.

• Equipment and machines on which consumers ride or travel, e.g. amusement park rides, should be included within the scope of the Consumer Product Safety Regulation (CPSR).

• Product-specific legislation which addresses environmental issues such as the EU Ecolabel Regulation, the EU Ecodesign Directive and the EU Energy Labelling Directive should be included in the scope of the Market Surveillance Regulation (MSR).

• Business secrets cannot prevail over the need to immediately inform consumers about serious risks. Market surveillance authorities need to adequately warn consumers without delay, and publish all of the relevant information needed to identify a product and the risks involved.

• Penalties need to be proportionate to the infringement, not to the size of the company.

• An EU-funded accident statistics system and a European complaint handling/reporting point should be established.

• Products with child-appealing characteristics must be safe for children to use or touch under all conditions of use.

BEUC’s ADDITIONAL SOURCES

BEUC/ANEC Position paper on Market surveillance of products
BEUC-X-2013-033

BEUC/ANEC Position paper - Consumer Product Safety Regulation
BEUC-X-2013-034
Hormone disrupting chemicals

Why it matters to consumers

Each day we come into close contact with an enormous range of human-made chemicals. We use skin creams containing parabens, computers containing brominated flame retardants, and plastic kitchen tools containing Bisphenol A.

Many of the chemicals found in consumer products are known to disrupt the hormonal system, in particular when exposure takes place during crucial stages of development such as pregnancy. Exposure to a multiplicity of chemicals in everyday life is of particular concern, as the EU regulatory framework assesses safety on a chemical-by-chemical basis and largely neglects the ‘chemical cocktail effect’. As there are currently no legislative criteria that define an ‘endocrine disrupter’, a chemical that disturbs the hormonal system, these chemicals are unregulated despite the urgent need to restrict their use.

State of play in legislative procedure

The new European Commission has resumed work on defining criteria for Endocrine Disrupting Chemicals (EDCs) – work which was on hold for approximately two years due to intense industry lobbying. Based on input from the World Health Organisation and the Joint Research Centre of the European Commission (JRC), a screening method will be applied to several hundred chemicals, mainly pesticides and biocides, as well as to some industrial chemicals and chemicals used in cosmetic products, to test how they relate to different regulatory options. Subsequently, an impact assessment that will potentially lead to a revision of existing legislation and/or a new legislative proposal will be carried out.

The European Parliament adopted its own initiative report on protecting public health from endocrine disrupters in March 2013, and underlined the need for the European Commission to act. In a March 2015 public debate, many MEPs urged Commissioner Andriukaitis to come forward with regulatory criteria for endocrine disrupters.

Recommendations for the Presidency

We call upon the Luxembourg Presidency to facilitate an in-depth discussion, taking the European Parliament report into account, on how consumers can effectively be protected from hazardous endocrine disrupters. This topic also has huge relevance for all Member States from an economic viewpoint, as the diseases that are linked with environmental exposure to hormone disrupting chemicals put a considerable burden on public health budgets. In fact, Sweden sued the European Commission in 2014 for delaying rules on endocrine disrupting chemicals.
What we need to succeed

- Endocrine disrupting chemicals must be restricted and phased out in order to reduce exposure. Safe alternatives must be used where they exist.

- A science-based definition for ‘endocrine disruptor’ that is coherent and applicable to all existing and future EU legislation is needed. Similar to chemicals that are Carcinogenic, Mutagenic and Toxic to Reproduction (CMRs), EDCs should be classified and regulated.

- EDCs that have been identified as Substances of Very High Concern (SVHCs) should be included in Annex XIV of the REACH regulation. As a result, the use of these substances would require authorisation.

- Under REACH, the role of authorities is to evaluate registered substances and propose appropriate risk management measures. When screening the registrants’ chemical safety assessments, authorities should consider not only the information in the REACH dossier, but also any other available information in assessing whether the substance is (potentially) endocrine disrupting.

- Risk assessment and risk management methods must be updated to take into account low-dosage effects of EDCs as well as the combined effect of different chemicals.

- As part of the EU strategy on endocrine disruptors, the European Commission identified a priority list of substances that require further evaluation regarding their role in hormone disruption. However, this list was established several years ago and therefore needs to be updated in light of REACH registration dossiers and other newly available data.

- More EU-funded research is needed in order to better understand the complexity of the endocrine system, as well as the effects of endocrine disrupting chemicals on human health and the environment.

BEUC’s ADDITIONAL SOURCES

- Factsheet on Endocrine Disrupting Chemicals
  BEUC-X-2011-039

- Position paper: BPA Should be Phased Out from Consumer Products
  BEUC-X-2011-038

- ‘Top 10 Actions MEPs can undertake to lower the exposure of consumers and of the environment to Endocrine Disrupting Chemicals’
  BEUC-X-2011-040

For more information: sustainability@beuc.eu / safety@beuc.eu
Medical devices

Why it matters to consumers

Medical devices – from contact lenses to pacemakers and pregnancy test kits – are features of many consumers’ daily lives, and this broad range of products contributes significantly to health and well-being. Recent scandals like the PIP breast implants and the metal-on-metal hip implants clearly exposed loopholes in the current regulatory framework, and pointed to the urgent need to increase safety standards and restore consumers’ confidence in medical devices.

State of play in legislative procedure

In September 2012, the European Commission presented its proposals for revising the EU’s legislation on medical devices with the aim of simplifying and strengthening the existing rules for the benefit of consumers and healthcare professionals. The package includes regulations on medical devices and in vitro diagnostic devices, as well as a Commission Communication on safe, effective and innovative medical devices.

The Commission proposals introduce several improvements to the current regulatory framework, in particular with regard to post-market surveillance, but they fall short in ensuring that medical devices are thoroughly assessed before they make it onto the market.

The amendments voted upon by the European Parliament in its plenary session in April 2014 introduced significant improvements to the Commission proposals, especially regarding consumer information, market surveillance, ethics and transparency.
Recommendations for the Presidency

On 19 June the Council of Ministers adopted a “partial general approach” and agreed on the substance of its negotiating stance. We urge the Luxembourg Presidency to swiftly start negotiating with the European Parliament and to address the issues that still raise concern among Member States, including the scrutiny mechanism and the reprocessing of devices. We call on the Luxembourg Presidency to do its utmost to improve consumer safety and to strengthen the pre and post market surveillance of medical devices.

What we need to succeed

• All medical devices on the market must have a positive risk/benefit ratio and provide therapeutic benefit to patients.

• The definition of ‘performance’ should be adapted to include an assessment of clinical effectiveness.

• Manufacturers should be required to produce more and better clinical data, and to conduct randomised, controlled trials whenever possible to demonstrate a medical device’s safety and effectiveness before it is placed on the market. A centralised pre-market assessment for a limited number of high-risk devices should be carried out by a new Medical Devices Committee within the European Medicines Agency (EMA). The functioning of the Notified Bodies promoting specialisation and excellence should be improved, as recommended by the European Parliament.

• A consistent, risk-based approach should be applied for the classification of all devices. A multidisciplinary expert group with binding power should be set up for the consistent classification of borderline products (e.g. food supplements, medicines, herbal preparations) across the EU. Consumers should be provided with high quality, comprehensive, understandable and user-tested information for all devices. The meaningful involvement of consumers in market surveillance should be guaranteed. The competent authorities should be provided with adequate resources to ensure proper enforcement.
Towards a resilient, consumer-centric Energy Union

Why it matters to consumers

The energy sector is embarking on a period of profound change in the way that energy is produced, transported, commercialised and consumed. These fundamental changes require guarantees that consumers will benefit from this energy transition. Currently, consumers’ trust in the energy industry is at a historic low while the increasing price of energy is one of consumers’ main concerns and many households have problems paying their bills. While BEUC supports the vision of an Energy Union, we recognise that a change in mindset to integrate consumer interests in every pillar of the strategy will be required: a change based on smart, sustainable and inclusive consumer policies.

State of play in legislative procedure

In February, the Commission launched its Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy. BEUC welcomes the Energy Union strategy, which puts citizens at its core. We encourage the European Commission to ensure a secure energy supply, more energy-efficient products, better market functioning, and fair and affordable consumer prices when publishing its legislative proposals in 2016.

The European Parliament is currently preparing a resolution on a European Energy Union. This resolution should give an important political signal to the European Commission that it should make ambitious legislative proposals on the different pillars of the Energy Union.
Recommendations for the Presidency

We call on the Luxembourg Presidency to confirm that energy supply is secure, sustainable, affordable and reliable, and that consumers can make sustainable energy choices based on easily manageable energy markets. We encourage the Luxembourg Presidency to facilitate in-depth discussions on how to build a truly consumer-centric Energy Union, as well as debates on concrete European Commission proposals, particularly those tackling existing barriers and adjusting regulatory regimes so that the energy market can develop and offer real choice and competitive prices.

What we need to succeed

- The internal energy market must be completed in order to allow consumers to reap the benefits of truly competitive, consumer-friendly energy markets that deliver real choices. A complete and urgent transformation and implementation of all relevant EU legislation, especially the Third Energy Package and the Energy Efficiency Directive, is therefore needed in order to make markets work better for consumers and ensure that they can effectively exercise their rights.

- In order to develop trust, consumers must be able to navigate energy markets and feel empowered to play an active role if they so desire. European electricity markets need to deliver benefits to both consumers and prosumers (consumers producing their own electricity).

- Energy companies must move away from the monopolistic tendencies of the past, and recognise that in a competitive market they need to both gain and retain consumers by providing more affordable, reliable services that give value for money.

- Increased consumer engagement will be important to the future of the energy sector, and therefore new and innovative ideas to empower consumers, coupled with the necessary policy measures, should be further discussed. Cost-effective investments in energy efficiency solutions should be made, and schemes should be transparent and properly audited in order to deliver energy savings to consumers.

- While distributed generation provides consumers with an opportunity to become active players on the market, further policy action is required due to a lack of knowledge about which technology is the most suitable for different kinds of households, the absence of clear rules, and financial barriers.

- New technologies like smart meters will open the door for new business models and a range of innovative products and services. However, these technologies must provide real added value for consumers in terms of economic, social and environmental sustainability.

- When rolling out smart meters, distributional impact assessments of EU and national policies among different social groups are needed to ensure that benefits are delivered to all consumers.

- Greater transparency and efficiency is required in order to manage investment costs in the development of additional infrastructure and innovative new technologies.
• The role of existing product policy tools (Ecodesign, the EU Energy Label and Ecolabel) must be taken into account when moving forward with the creation of a circular economy. Consumers must understand and be empowered to choose more efficient products through a revised, simplified Energy Label based on a closed A-G scheme.

• An ambitious European transport policy is needed to improve the energy efficiency of cars and to strengthen the integration and use of different modes of transport. It is crucial that the EU adopts a new testing protocol for measuring automobile fuel consumption and CO2 emissions by the end of 2015, and that this protocol is operational by 2017 in order to provide transparent information to consumers about ‘real life’ fuel consumption rates.
The Consumer Voice in Europe
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